Report

OF THE

Bombay Chamber of Commerce

FOR THE YEAR 1945

(Established 22nd September 1836)

(Incorporated 18th June 1924)

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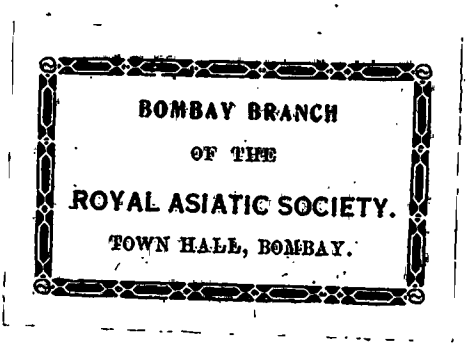

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OF THE

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Bombay Chamber of Commerce.

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FOR THE YEAR 1945

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Presented to the Annual General Meeting held on 27th March 1946.

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J. L. Symons	*1892
R. S. Campbell	*1893
W. R. Macdonell	*1893, 1894, 1895
A. F. Beaufort	1896
A. Abercrombie	1897
R. H. Macaulay	1898
A. Abercrombie	1899
William Greaves	1900, 1901, *1902
J. M. Dick	*1902, 1903
C. H. Armstrong	1904, 1905
H. E. E. Procter	1906
C. H. Armstrong	1907
Sir Henry Procter	1908
C. H. Armstrong	1909
R. G. Monteath	1910
Sir Chas. Armstrong	1911, 1912, 1913
Marshall F. Reid, C.I.E.	1914
T. W. Birkett	1915
J. S. Wardlaw Milne	1916
Malcolm N. Hogg	1917, 1918
Nigel F. Paton	1919
A. H. Froom	1920
H. P. W. Macnaghten	1921
Sir Frank Nelson	1922, 1923

*Part year.

Presidents.

L. S. Hudson	1924	Sir John Abercrombie, M.C.	1935
V. A. Grantham	1925	L. A. Halsall	1936
Sir Joseph Kay	1926	G. H. Cooke	1937
Sir Leslie Hudson	1927	A. McIntosh	1938
Sir Hugh Cocke	1928	A. K. G. Hogg	1939
G. L. Winterbotham	1929	C. P. Bramble	1940
J. R. Abercrombie, M.C.	1930	J. M. B. Gibbons	1941, 1942
E. Miller	1931	L. A. Halsall	1943
R. R. Haddow	*1932	A. L. Hutson	*1944
Sir Hugh Cocke	*1932	C. P. Bramble	*1944, 1945
W. G. Lely	1933	A. W. Percy	1946
G. L. Winterbotham	1934		

Secretaries.

R. X. Murphy	1836–38	David Watson (Acting)	1881–82
J. E. Brenan	1838	John Marshall	1884–98
R. X. Murphy	1838–41	Frederick Noel Paton	1898–1905
T. J. A. Scott	1841–46	J. B. Leslie-Rogers	1905–1911
John Connon	1846–57	R. E. Gregor-Pearse	1912–1920
John Mawson	1857–59	C. B. Sayer	1921–1925
J. A. Crowe (Acting)	1858–59	R. J. F. Sulivan	1925–1937
H. Brooke	1859–64	C. H. Courthope-Munroe	1937–1946
James Taylor	1864–73		
John Gordon	1873–84		

*Part year.

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Bombay Chamber of Commerce

ANNUAL GENERAL MEETING

THE Annual General Meeting of the Members of the Bombay Chamber of Commerce was held in the rooms of the Chamber, Mackinnon Mackenzie and Company's Building, Ballard Estate, on Wednesday, 27th March 1946, at 11-30 a.m., to transact the following business :—

1. To adopt the Report of the Committee of the Chamber for the year 1945.
2. To elect eight ordinary members of the Committee of the Chamber for the year 1946-47 in accordance with the provisions of Article 41.
3. To appoint Auditors of the Chamber's Accounts for the year 1946, and to fix their remuneration.

Any other business that may be brought forward.

MR. C. P. BRAMBLE, C.I.E., M.L.A., President of the Chamber, presided and was supported by MR. A. W. PERCY (Vice-President), Messrs. C. R. AGAR, R. W. BULLOCK, C. J. DAMALA, D. R. C. HARTLEY, C.B.E., D.S.O., E.D., C. G. MARRABLE, H. C. DE MIERRE, W. L. A. RADCLIFFE, E. W. A. RICHARDSON and W. G. J. SHAW, Members of the Committee.

Among those present were :—

His Excellency The Right Honourable Sir John Colville, P.C., G.C.I.E., T.D., Governor of Bombay; Sir Charles Bristow, C.I.E., I.C.S., Sir Ivon Taunton, C.I.E., I.C.S., and Mr. D. MacLachlan, C.I.E., I.C.S., Advisers to H. E. The Governor; Mr. B. C. Dutt, Accountant General, Bombay; Mr. V. G. Mathews, I.C.S. Collector of Customs, Bombay; Lt.-Col. K. J. Thouless, Postmaster General Bombay; Mr. H. E. Butler, Commissioner of Police, Bombay; Mr. J. H. O'Hagan of His Majesty's Trade Commissioner's Office; Mr. U. M. Mirchandani, I.C.S., Municipal Commissioner, Bombay; Mr. C. R. Trevor, Deputy Governor, Reserve Bank of India; Lt.-Commander M. S. S. Harvey, Captain Superintendent, I.M.M.T.S. "Dufferin," Bombay; Commander Creswell, R.N.; Mr. M. P. Kanga, Director of Industries, Bombay; Mr. N. S. V. Aiyer, Secretary, Millowners' Association, Bombay; Mr. C. B. Cockaine, Secretary, European Association, Bombay Branch; Mr. S. M. Jamil, Secretary, All-India Muslim Chamber of Commerce and Industry; Mr. D. R.

Wilsdon, Master, Bombay Presidency Trades Association; Mr. S. J. McCann, M.L.A. (Bombay Presidency Trades Association), Mr. R. C. Vint, Harbour Master, Bombay Port Trust.

The following members of the Chamber attended the meeting :—

Mr. G. A. H. Alexander „ S. K. Bilimoria	Alexander & Co.
„ C. F. Freeman	Andrew Yule & Co., Ltd.
„ M. J. Cope	Anglo-Iranian Oil Co. (India), Ltd.
„ H. V. Poirton	Asea Electric Ltd.
„ W. H. Jackson	Blackie and Sons (India), Ltd.
„ L. F. H. Goodwin	The Bombay Co., Ltd.
Sir Joseph Kay Mr. W. Jenkins	W. H. Brady & Co., Ltd.
„ E. R. C. Edyvean	The British Drug Houses, Ltd.
„ T. J. Birmingham	Caltex (India) Ltd.
„ R. R. Edward	Card Clothing and Belting Ltd.
„ C. W. Fowler	Cement Marketing Co. of India, Ltd.
„ W. Hendry „ H. Godfrey	The Central Agency Ltd.
„ W. Weissenbach	Ciba (India), Ltd.
„ W. J. Wells „ J. E. B. Shaw	Cutler Palmer & Co.
„ P. R. Andersen	The East Asiatic Co., Ltd.
„ A. N. Rao „ N. L. Kodikal	The Eastern Chemical Co. (India).
„ F. A. Cole	A. F. Ferguson & Co.
„ C. F. Morris, O.B.E.	James Finlay & Co., Ltd.
„ B. O. Stevenson	Ford Motor Co. of India, Ltd.
„ R. A. M. Henson	H. J. Foster & Co., Ltd.
„ C. E. Penn	The General Electric Co. (India), Ltd.
„ J. L. Dickie	Gillanders Arbuthnot & Co.
„ W. A. Bell „ F. S. Binnie	Imperial Chemical Industries (India), Ltd.
„ E. Geoghegan	The Imperial Tobacco Co. of India, Ltd.
„ M. W. R. Sell	The Indian Oxygen and Acetylene Co., Ltd.
„ H. R. Cooper	International General Electric Co. (India), Ltd.
„ J. C. Williamson	William Jacks & Co., Ltd.
„ H. Holck-Larsen „ S. K. Toubro	Larsen and Toubro.
„ N. MacLeod	Mackinnon Mackenzie & Co.
„ G. W. Gosling	Martin and Harris Ltd.

Mr. E. W. Stevens	Metcalfe and Hodgkinson.
„ E. F. Alsac	Michelin Tyre (India), Ltd.
„ M. S. Arnaud	
„ M. M. Jalaluddin ..	M. A. Mullick & Co.
„ E. J. Spuhler	Nestle and Anglo-Swiss Condensed Milk (Export), Co., Ltd.
„ H. W. Fieth	Parke Davis & Co.
„ W. G. Lloyd	
„ Teckchand Vasanmal ..	Pohoomull Bros. (India).
„ A. Sotiriadi	Ralli Brothers, Ltd.
„ J. Scott Ferguson ..	Remington Rand Inc.
„ E. A. Jones	Richardson and Cruddas.
„ H. Sommer	Sapt Textile Products (India), Ltd.
„ H. Glover	E. D. Sassoon & Co., Ltd.
„ C. A. Cunliffe	Shaw Wallace & Co.
„ Mohamed Sidique Dawood	M. Sidique & Co.
„ C. U. Magnusson ..	The SKF Ball Bearing Co., Ltd.
„ R. G. Mahomed ..	Armstrong Smith Ltd.
„ A. A. Robinson ..	Standard-Vacuum Oil Co.
„ C. A. Osborn	
„ K. T. Engineer	Stewarts and Lloyds of India, Ltd.
„ L. R. Bury	J. Stone & Co. (India), Ltd.
„ A. W. Burgess	Triangular Motors Ltd.
„ C. J. Bollins	Turner Hoare & Co., Ltd.
„ C. O. Fountain	Turner Morrison & Co., Ltd.
„ A. Wiles	
„ W. G. Sheraton Southam	Victor X-Ray Corporation (India), Ltd.
„ J. L. Hurschler	Volkart Brothers.
„ R. H. Schuepp	
„ H. P. Cumming ..	Wallace & Co.
„ W. M. Martin, M.B.E., M.L.A.	Wolverhampton Works Co., Ltd.
Lt.-Colonel. N. P. Dew..	
„ A. R. Chisholm	Imperial Bank of India.
„ J. Robertson	
„ G. T. Gillespie	National Bank of India, Ltd.
„ G. Velthorst	Nederlandsch Indische Handelsbank.
„ L. Randall	Atlas Assurance Co., Ltd.
„ W. Roberts	Commercial Union Assurance Co., Ltd.
„ Hugh Pollett	London and Lancashire Insurance Co., Ltd.
„ V. C. Wright	Royal Insurance Co., Ltd.
„ W. D. Shembavanekar. .	Triton Insurance Co., Ltd.

Mr. C. H. C. Munroe, Secretary, Mr. H. Royal, M.B.E., Assistant Secretary, and Mr. L. Boult, Additional Assistant Secretary of the Chamber.

The notice convening the meeting having been read, MR. C. P. BRAMBLE, in opening the proceedings, said :—Your Excellency and Gentlemen,—I welcome you, sir—as I do our other guests—at what is your fourth attendance at an Annual General Meeting of this Chamber. The prophecy I made last year that you were then appearing for the last time as Head of a Section 93 Province has only just missed fulfilment. That was made not with any object of displaying political sagacity but to induce you to speak freely. We fully understand that since you are virtually the Head of a Responsible Government your discretion is now fettered. In any case the subjects which will be dealt with this morning are, as usual, more Central than Provincial in their import. Even so, you should know, sir, that we regard it as a privilege to have you here today and thank you for your courtesy in coming. We hope that the tradition will be long maintained.

The impending constitutional changes in this Province and elsewhere are the direct consequence of the winning of the war, for the elections which have given rise to them could only be held after the cessation of hostilities. V. E. Day and V. J. Day seem past history now, but we in this country particularly (having been so remote from danger as almost to deserve the title of " spectators ") should not allow ourselves to be prevented by the dust of our existing difficulties from seeing how much we owe to the fighting men and to the great leaders, one above all others. Our plight would have been very different if they had failed us.

Yet much the same effort is required of us now as in 1940 when the war suddenly " went bad on us "—to use the expression of some who seem to regard the course of the whole thing as an act of God. The conserving of food stuffs, and so the elimination of waste, is an international obligation : as is the need to combat inflation, while steering clear of too rapid deflation and resultant slumps. And I cannot help repeating what I said in this place five years ago : that we British in this country are not only entitled but compelled to exploit to the utmost our position as invisible exports of the United Kingdom. Our remittances, and more particularly the export business we influence from the United Kingdom to India, are not only important from that point of view, but also as a means of helping to liquidate the sterling balances.

It is ironical though only to be expected that the belligerents who lately compassed the total destruction of the forces opposed to them should now depend for their survival on the co-operation of allies and enemies alike. Complete harmony is obviously the

desideratum. Yet within six months of the surrender of the last of our enemies, local disturbances are to be found in every Continent; while we are already becoming cynical in our attitude towards those with whom we recently fought side by side. There may be some consolation to be found in a comparison of the present condition of the world with that which obtained after the last war, for, although one would not wish to set low standards in such a matter, it is patently absurd to expect ideal conditions to prevail anywhere in the civilised world just because the last shot had been fired. Perhaps the dire plight in which the world finds itself after six years of destructive war may conduce to the restoration of that internal and external harmony which is so essential if we are to tackle all the manifold tasks of reconstruction satisfactorily, and to avert the threat of pestilence and famine which today confronts so many countries—including India itself. It is easier to give than to get; hence deficit Provinces like Bombay are harder hit by the food shortage than the surplus Provinces, which have merely to decide how much they can export to those in need.

Controls, though not abolished, are being loosened. It is now permitted to write letters which nobody else except the addressee may read, to enter the docks, to talk about the Ship in whose arrival or departure we are interested—although still not to board her if she is a hired transport—and finally to depart from this country without an exit permit.

This emancipation, however, is civic rather than commercial; and the businessman is still in need of great relief. The manufacturer is in some cases compelled to produce certain utility qualities. The merchant, at any rate in Bombay's most important commodity, finds himself restricted by ceiling prices. A cotton ceiling price, I may add has, unlike Euclid's point, great magnitude, but a position only in the mind of the Additional Textile Commissioner. The cotton merchant is also unable to trade in the New York Market, because of Exchange restrictions, or in the Liverpool Market, of which he is probably a member, because Sir Stafford Cripps insists on its remaining closed. These are more than irritants. They handicap, perhaps cripple, many, but the reason underlying most of them, though not of all, is fairly obvious. One of the exceptions is unfortunately to be found where import permits are concerned.

Such a Department as the Commerce Member's must obviously be faced with an enormous increase of work, now that the reversion to normal trading has begun. But inadequacy of Staff can scarcely be a valid excuse for its omission even to acknowledge correspondence (often involving applications for permits) for periods amounting to three months; and it certainly cannot

justify the discriminatory tactics which it is adopting in practice, whatever its professed policy may be.

It is true that in 1940 the Government of India enunciated a policy of bolstering up not only indigenous industries directly needed for war effort, but also "essential industries which would have to be brought into existence to meet the essential requirements of the civilian population." The kind of safeguard to be accorded them was not then rigidly defined; though the Commerce Member alluded to such measures as protective duties, subsidies, and concession in railway rates.

The method which has been exclusively employed in practice, however, is that of the control of licences for imports; and here there is evidence of abuse.

The three points laid down in 1922 by the Indian Fiscal Commission for the guidance of Tariff Boards were:

1. That the industry requesting protection possessed natural advantages.

2. That without the help of protection it would not be likely to develop at all, or not so rapidly as desirable.

3. That it would eventually be able to face world competition without protection.

To this must now be added a fourth, namely, whether the industry seeking protection was set up to further the war effort and, if so, whether it has now had time to recoup its initial expenses; or, in the alternative, whether it is still essential in the interest of the civilian population. As regards recouping initial expenses, it may fairly be argued that the war lasted considerably longer than was expected in 1940, and that, therefore, a heavy onus of proof lies on the applicant for protection on this score. As to whether an industry is essential for the requirements of the civilian population must surely depend on the quality and price of what is available by way of import. Yet licences—when applications have at long last been acknowledged—are refused on a variety of pretexts. It may well be, as I for one suspect, that this arbitrary treatment of applications is deliberate and is part and parcel of the larger issue involving the attempt to repeal the anti-discriminatory clauses—Sections 111-121 of the Government of India Act.

If I may express a personal opinion, it is that some of those clauses might well be amended now. I do not expect you all to agree with me in that. But there can be no disagreement with my further contention that, until they are amended or repealed, the spirit underlying them should be upheld. Honest and firm Government is desirable in any country, and not less so in India

where the tendency to appease all and sundry, although understandable in the circumstances, will nevertheless afford a most dangerous legacy for those whose advent to power is imminent. If the I.N.A. trials and their aftermath are not exactly a case in point, they are nonetheless an illustration of weak action induced by too much consideration for fickle opinion. The continued allocation to British and Indian servicemen, fed largely on meat, of twice the cereal ration enjoyed by the masses can scarcely be justified or explained except on this ground of appeasement.

One would also welcome more official emphasis on the truism that the pay of the Indian forces must approximate to the rates obtaining in civil life ; and could not possibly be raised to British and still less to American levels without undermining the whole economic structure of India.

For similar reasons I cannot too strongly condemn the making of what appear to be perfectly plain statements of salutary warning (such as F.O.C.-R.I.N.'s recent signal to the R.I.N.) that drastic action to suppress lawlessness will be taken if necessary ; and then trying to explain them away by stressing some far-fetched ambiguity which permits of an alternative interpretation to the patently intended one. Popular clamour is not likely to be allayed by such methods, for appeasement is invariably construed as weakness if carried to extremes.

Of the R.I.N. Mutiny itself, which is now *sub judice* I will only say two things. First, that some explanation seems necessary as to why all ammunition was not either removed or placed under a strong guard at Castle Barracks, before the mutineers were rounded up and interned there. And secondly that Mr. Gandhi seems to have put the whole affair into proper perspective by pointing out to Mrs. Asaf Ali that the mutiny was indefensible because the ratings should not have joined the R.I.N. if they really thought the conditions humiliating ; and that in any case the spirit of revolt would be a most unfortunate legacy for an autonomous India, since strict discipline would be as necessary under swaraj as it is to-day.

The policy of excessive appeasement which appears to be in vogue in some quarters makes us all the more appreciative of the determination and vigour with which Your Excellency's own Administration has made it clear that rioting and sabotage will be put down with a strong hand. And here I must pay special tribute to the police and troops who suppressed mob violence and hooliganism which dislocated the normal life of the City from February 21st to 24th. I am of course aware of the critics who contend that the figures of some 250 dead and 1,200 injured betray excessive and indiscriminate use of arms. But in matters

of this urgency there can be no nice calculation of less or more; and, in all probability, an attempt by the police to check the rising in the first instance with tear gas and *lathis* instead of fire-arms would have caused a greater loss to life and damage to property than actually occurred.

Having referred to our appreciation of the way in which your Excellency's Government has upheld law and order. I may perhaps be allowed to turn to other and quite different matters, which it seems to have dealt with less satisfactorily. I refer to the Sales Tax Bill. No one, of course, likes increased taxation: but as responsible citizens we know it is inevitable when extra money is legitimately required. And by and large a sales tax is probably one of the fairest ways in which some of the extra money needed for post-war reconstruction can be raised.

But we did feel that the Statement of Objects and Reasons which accompanied the Bill might well have given some indication of the resources available, and the additional money needed, for reconstruction plans. And we felt even more strongly that a decision as to the best means of finding the extra money should be left to the autonomous Government which should be soon in power. Informed criticism, indeed, was almost entirely directed towards these two points: for, though we in this Chamber constructively criticised several details of the proposed legislation, we had no objection to the principle of the Bill. However, we were glad to see that the Press Note which accompanied the enactment of the Bill has supplied the information that was lacking in the original Statement of Objects and Reasons, and also made it clear that no liability for the new tax will accrue until July by which time the new Government will have had ample time to endorse, amend or even replace the Act.

At this meeting last year Mr. Radcliffe, the Vice-President, expressed the Chamber's anxiety that the shortage of accommodation in this City and the demands of the Services should result in the non-official finding himself homeless and officeless. The construction of temporary building helped to alleviate the position, and the setting up of the Standing Quartering Board did much to ensure that demands were not only genuine but also moderate. Today that Board's chief function is to derequisition, and the surrender of office buildings and of residences is proceeding steadily. It would be a great mistake, however, to think that the situation will be normal in Bombay until much new building has been completed: and one doubts whether there will be a rush to enter that market despite the Finance Member's recent Budgetary encouragement. The population of this city has greatly increased. Plans are being made on all sides to handle a considerable expansion in industry; and last, but by no means least,

the local Government has developed tremendously. This then seems a proper time to urge two points. First, that the Rent Restriction Act be retained, and secondly that the Government of Bombay take early steps to provide for its own needs. Sooner or later it will have to build. If that time can be postponed until costs are cheaper, by the use of the temporary structures erected in recent years for the Services, well and good. But it should be recognised now that competition for commercial office accommodation which is already in short supply cannot be justified except as a very temporary expedient. I dare say that a reponsible Government would realise in time that disregard of this point would lose it votes; but no harm is done in emphasising it now.

For obvious reasons difficulty has been experienced during the war years in finding men with time to undertake work outside their own businesses which, I would remind you, have not infrequently involved very many hours a week spent on Government or quasi-Government Committees. Now, however, the knowledge that the staff shortage has passed its peak is inducing a rather more optimistic view of how much can be fitted into 24 hours, and it augurs well for the Chamber that Mr. Percy has found it possible to accept the Office of President which last year he had to decline. When we played rugby football together twenty years ago he was capable of anchoring an opposing scrum to the ground, while his lighter weight colleagues got away with the ball. At the Committee table, however, he is nimbleness itself, and may always be relied on to do a good deal of the scoring. The Chamber's affairs will be in capable hands.

Your new Vice-President, Mr. L. A. Halsall requires even less introduction; for he has already twice served as President, the first time being as long ago as 1936, the centenary year of this Chamber. At the same time there is something more about his office which should be recorded. It will be remembered that in 1940, the Articles of Association were altered so as to provide for the appointment by the Chamber of a Stipendiary President or Stipendiary Vice-President (who should hold office to the exclusion of any other President or Vice-President). Mr. Halsall has agreed to be the Chamber's first stipendiary Vice-President and to serve in that capacity—which you will understand involves whole-time work—for a period of five years.

It only remains for me to thank the staff for its work through the past year. This cannot be the ordinary—sometimes perfunctory—acknowledgment of routine work well done, for we bid farewell today to both Mr. Courthope-Munroe, our Secretary and to Mr. Royal, our Assistant Secretary. Mr. Munroe took up his appointment in 1937 and might have expected to be going home now for the third time. In the event he has had to serve in this country,

like many another I fear, for nine consecutive years ; and I do not think that I can pay him a fairer tribute than to say that in spite of that long continuous spell and of the disadvantage of dealing with a succession of Presidents and Committees, he has been invariably good-tempered. Politeness in all circumstances may perhaps be taken for granted, but persistent cheerfulness is a rarer quality. Mr. Munroe has served as Honorary Secretary of the National Service Advisory Committee, Bombay area, ever since it came into being six years ago. He has had the successive tasks of counselling patience to the young men for whom there was at first no room in the O.C.T.U ; of persuading firms to part with men that they could ill afford to spare, then of helping them to secure the release of those men from the Forces and now of providing them with passages home, and I need not say that the last of these has proved the most difficult. On this point you will be informed by the Vice-President who follows me. I would only say that Mr. Munroe has deserved well of his community.

Mr. Royal is, of course, an institution. Indeed the reference to him as "that invaluable repository of knowledge in which successive Secretaries of the Chamber have sought guidance and inspiration," is at least 13 years old. Before that time he had already served the Chamber for a quarter of a century. The Chamber will not be the only sufferer from his retirement to England; for he will also be greatly missed by the Society of Honorary Presidency Magistrates and by several educational bodies to which he has devoted much of his spare time.

In conclusion, I would thank the members of the Sub-Committees for their pioneer work in opening the minuting on technical subjects and express my regret that, although the war is over, it is still impossible for the General Committee to entertain them and His Excellency in the time-honoured way.

Gentlemen, the accounts call for no comment : and I now propose that they and the Report of the Chamber for the year ended 31st December, 1945, be hereby adopted and confirmed.

Vice-President's Speech.

Mr. A. W. Percy, the Vice-President, said:—Your Excellency, Mr. President and Gentlemen,—I must first thank the Members of the Chamber sincerely and gratefully for the honour of my election as President for the forthcoming year. It is an honour which I have accepted with diffidence as one who follows a long line of predecessors better qualified than myself to fill this position, but at the same time with the knowledge that burdens shared are burdens lightened and that not only will there be many old friends to help me on the General Committee of the Chamber

but I am more fortunate than my predecessors in being able to rely on the experienced assistance of a full-time Vice-President of the calibre of Mr. Halsall.

It is usual, in seconding the adoption of the report, for the Vice-President to touch on a few of the activities of the Chamber during the year. A fair proportion of the work with which the Chamber deals is of a specialised or semi-specialised nature, and I would like to take this opportunity of recording the thanks, on behalf of the retiring Committee, to members of the sub-committees whose minutes and reports on specialised subjects are so essential for the working of the Chamber and without which the General Committee would at times feel completely lost. The thanks of the retiring Committee are due also to those who have represented the Chamber's interest on at least twenty committees or councils, boards or panels.

One of such bodies is the Food Advisory Council on which Mr. Gibbons has represented the Chamber most ably. I make no excuse for introducing the subject of food, the importance of which to-day sometimes obscures even the limelight on the political arena. The Province of Bombay is fortunate in having at this critical time a Government which has taken the lead among provinces in the matter of rationing and in the introduction of new methods to combat erosion of land, crop pests, and drought. I am convinced that the Government shortly to take over this province will find itself well equipped with experienced departmental staff to minimize as far as is possible the immediate food crisis which has arisen.

It is, however, more of the long-term problem of which I wish to speak. The magnitude of this can only be realised when it is considered that in three or four decades there will be another 150 to 200 million people to feed in India, whereas the increase in the production of food in this country is by no means keeping pace with the increase in the population and, quite apart from temporary famine conditions, it is clear that a country so preponderantly agricultural as is India cannot afford to face a position in the future where quite a large proportion of her food requirements would have to be imported.

The development of industries has its own importance, but you may at times have been surprised, as I have, at the wealth of talent and volume of work and time which is devoted at the centre to the development of industries and industrial problems as compared with that devoted to the development of agriculture and the betterment of conditions and equipment for the agriculturists. Members of the last General Committee may remember that I had introduced this point on more than one occasion when representatives from the Centre have had discussions with the

Chamber, and I cannot say that any of these discussions have left me in a more optimistic frame of mind as regards the future of agriculture. My own view, and it is a personal one, is that it has been demonstrated clearly during the war that there is amply sufficient initiative and capital in this country for private enterprise to develop industries to the extent required, but the development of industries will be found an empty shell if the parallel development of agriculture is not stepped up to take care of the growing requirements of food in this country. The Chamber of Commerce certainly appears to be concerned more directly with commerce and trade than with agriculture, but in this country, the purchasing power of the masses cannot hope to be increased if imports of food on a large scale are necessary to Indian economy as a long-term policy.

By a precedent, a speech at these annual meetings by anyone from my own firm could scarcely be considered complete without a reference to the development of roads, but all I propose to say on that subject to-day is that apart from steps which must be taken on an increasing scale to develop irrigation and to prevent soil erosion, a large new network of roads, and particularly in outlying rural areas, is absolutely essential to obtain the benefit to India of vast tracts of land which could provide a considerable tonnage of food for the country but are at present inaccessible, or nearly so, particularly in the monsoon months as far as this province is concerned. This development of roads has rightly, in my opinion, been given a place of high priority in post-war planning by the present Government of India, and one hopes that it will fill a place as important in the plans of the Government of the future. One would also wish that some of the richer men in industry would take a more active and practical interest in agriculture, and although among those who meet at this Chamber riches are in our hopes rather than in our pockets, most useful assistance could be given if only a few of those with the means to do so could give a lead by establishing small model farms, which would also assist in the absorption of demobilised ex-servicemen, and could be the means of providing the owners with much of interest. There are very many acres of land cultivable but uncultivated within two hours' journey by rail or road from Bombay, which I believe would be suitable for such a purpose.

I know from experience that membership of the Labour Sub-Committee of the Chamber has been no light task during recent years and in the past 12 months a number of new Bills have been dealt with by this sub-committee, including those introducing holidays with pay, restriction of working hours, and recognition of trade unions. In common with most other countries of the world which have been involved in the war, India has had a spate of strikes, threats of strike and adjudications, and Bombay has

had at least its fair share, if not more, of these difficulties. The machinery which was set up by Government during the war for the settlement of trade disputes under a combination of the Trade Disputes Act and the Defence of India Rules, has been effective in preventing stoppage of work in numerous cases, but at the same time this machinery, in my opinion, is obsolete, and the arbitrary nature of adjudication awards is a bad defect which is brought into greater prominence when differing awards from various parts of the country are compared. Probably there have been as many industrial disputes on the matter of bonuses as upon any other subject, and we find a position where in Bombay adjudicators have awarded that distribution of profits to labour in the form of bonuses is in principle correct and the proper course to be followed. In another Province, in the same type of dispute, adjudicators have ruled that bonuses being, in effect, a free gift from employer to employee, are not a fit subject for adjudication as a trade dispute. Whatever may be the merits for and against the payment of bonuses, it seems to me essential that the machinery for settling disputes on this question should be uniform throughout the country. My personal view is that having regard to the fact that times of prosperity are almost invariably limited and followed by periods of comparative depression, the system of bonus payments, from the long-term viewpoint, is neither in the interests of employers or labour and that a betterment of general terms of service and facilities of labour are preferable, to comparatively low rates of wages plus bonus. Others, I know, hold the view that the bonus system is the proper method of distributing to labour a share of profits in times of plenty. Whichever view may be the correct one, it is in my opinion essential that there be uniformity, and a lead be given from the Centre, by Government who have their own labour problems and which, in my opinion, should be dealt with by methods similar to those which Government advocate for the private employer. I have little doubt that this is a matter which will shortly engage the attention of the new Government in this country, and it is my belief that the present Government of India have already under consideration not only new machinery for the settlement of industrial disputes but the regulation of minimum wages. If this is so then there are two points that I would urge—first, that if industrial courts or adjudicators are still to settle industrial disputes then rules for the guidance of such courts throughout India should be laid down clearly by Government, in order that uniformity may be secured: secondly, that industry should receive more time than has been customary in recent years, to consider such new legislation and to give their views and comments before it is enacted.

As regards trade unions, I believe I shall not be challenged if I say that any enlightened employer in India would welcome

the *bona fide* trade union movement. I use the conditional tense for it is clear that trade unions at present, with a few exceptions, do not fulfil the real requirements of industry and labour. The primary requirements, in my opinion, are that trade unions should be representative of labour rather than of political parties, and that unions should have the respect of their members and full control of them. On many occasions recently, we have seen instances of resort to strikes against the advice of unions, and this has by no means been confined to India. The position of the employer who wishes to meet or negotiate with labour in such cases is well nigh impossible. It is an unfortunate fact that many trade unions in this country can only retain their membership by obtaining, under threat of strike, so-called concessions from employers. This is manifestly wrong in principle, for a union should not have to rely for its existence on such methods, and a most unreasonable position arises in that the unenlightened employer who has paid low wages and provides no facilities for his labour is in a much better position to grant concessions than the more enlightened employer who has paid reasonable wages and provided facilities for his employees of his own volition.

I am by no means pessimistic, however, regarding the future of the Trade Union Movement which is clearly going through its teething troubles in this country, where the unrest among labour at the present time is clearly a legacy from war conditions, and as I have indicated before, other countries which participated in the war appear to be similarly affected. An improvement will come, I am sure, and it will come more speedily when employers and unions discover that they are not necessarily opponents but may be collaborators.

A matter which has featured on the agenda of nearly every meeting of the General Committee during the year, is that of civilian U.K. passages and which, from the Chamber's aspect, means non-official civilian passages. It was, I think, inevitable that in the first hot weather period after the war there should be a heavy demand for passages, which could not be met by the shipping available in the few months in question. Nevertheless, I think it was reasonable to hope that with the cessation of the war the shipping available for non-officials should have provided more berths by this time. There are the few medium or small-sized commercial vessels which are available for civilian passages and which are deservedly popular, old-timers though many of them may be, but they are clearly insufficient to meet the demand, and until such time as new shipping is in service or the larger ships are no longer hired transports, we have to depend for an improvement upon what can be spared to us from the "services" who control passages in these larger ships. A useful meeting of the interests concerned was held in Delhi last July at which a

number of doubtful points were cleared up. A variety of reasons, however, for which the Passage Controller and Deputy Passage Controller can receive no blame mitigated against the improvement which was hoped for as a result of that first meeting.

After July there followed, shall I say, a period of depression in the passage market, but at least as far as the month of March is concerned, it has been followed again by an improvement, though it is clearly insufficient to provide what is required by non-officials for many months to come.

A second meeting has been held in New Delhi during the current month and the President has just returned to Bombay with an increase in the monthly quota of key leave sea passages from 17 to 39. This is most welcome as far as the Chamber is concerned and is full justification for the time expended by Mr. Bramble on his visit, without which, so I hear from all reports, Bombay would not have been so lucky.

This increase does not mean necessarily that the overall number of berths for all categories of passages is increased and it cannot be denied that it is very irritating to those who are endeavouring to get passages to the U.K. after many years in this country, to hear of numerous instances of men and women in the services travelling to India, a few months before they are due for demobilisation, or proceeding to the U.K. by sea for courses, again shortly before being sent back to this country for demobilisation. It is realised that mistakes must occur when such vast movements of service personnel are being dealt with, but one would not have supposed that a very large staff would be required to check the probable dates of demobilisation of service personnel for whom passages to or from the U.K. and India are being applied. I heard of a recent case in Karachi where three young officers on arrival by air from the U.K. received instructions that on no account must they miss the train out of Karachi for Bombay on the day of their arrival. This stern necessity was impressed upon them for had they missed the train from Karachi they would also have missed the steamer on which they had been allotted passages back again to England. I would urge, therefore, that increased supervision should be provided to prevent unnecessary passages for service personnel, and it is only fair to add that there seems room in the priority arrangements which govern civilian passages for a rule which would prevent the obtaining of homeward passages by those who have clearly journeyed out to India for the period of few months only. I am not, of course, referring to those who have to visit this country for short periods for *bona fide* purposes connected with trade or industry.

It is gratifying to be able to report that as a result of representations made a non-official has now joined the Passage Control Board in New Delhi, and I am disclosing no secrets when I say that this Chamber may claim some credit in the obtaining of that concession. I can assure you that during the forthcoming year our efforts in this Chamber to obtain more civilian passages will not be relaxed in any way. I think it is fitting here to record our appreciation of the efforts made on our behalf by the Civilian Passage Controller in New Delhi and the Deputy Controller in Bombay whom most of us know in the person of Colonel Stevens. These departments can, of course, only fill such accommodation as is provided and make themselves a nuisance on our behalf to those who fail to provide more ships for us, but they cannot themselves provide more ships. Nevertheless, all will agree that the improvement in the speed of dealing with applications and correspondence has been marked, since the middle of last year. With these remarks, gentlemen, I have much pleasure in seconding the proposition moved by the President that the Report of the Chamber for the year ended 31st December, 1945, be adopted and confirmed.

The Report was adopted unanimously.

HIS EXCELLENCY THE GOVERNOR said :—Mr. President and Gentlemen,—I thank you for the warm welcome which you have extended to me this morning. This is my fourth visit to you since I assumed office in Bombay. I recall that my first was within a few days of my arrival, and was practically my first public engagement. I greatly value this annual opportunity of meeting and speaking to you, and share your hope that the tradition will long be maintained.

I say this having full regard to the great political change which is impending. For I believe that when we have passed through the present uncertain, transitional stage in India's relations with Great Britain, a great future as fruitful as any past period lies ahead of British Commerce in this country. It will rest on goodwill and mutual service. For it is a mistake to believe that British trade with India depends upon political domination. That is not the case, for instance, in our enormous commerce with the Argentine and other South American countries, or in our rich trade with many European countries. Our trade in India was founded here before we had any political authority, and I believe it will as assuredly remain when that political authority has been transferred to Indian hands, provided there is mutual understanding. The British business man will long continue to be able to offer India much which India badly needs, goods of a high quality and wide variety, managerial and technical experience, scientific and engineering skill, experience in working conditions, in trade unionism, in the social services—the whole accumulated

wisdom of a long-established and highly industrialised economy, and India can supply many essentials to the United Kingdom. I, therefore, am sure that a long career of usefulness lies before the British business man in Bombay, and that this Chamber has a great and fruitful part to play in fostering future trade relationships between the two countries.

You have reminded me that at last year's meeting you predicted that that was the last the Chamber would see of me as a Section 93 Governor. As a prophetic shaft that was a very near miss, for I anticipate that it is only a matter of a week or so now before responsible Government is restored in this Province. I have made no secret of the fact that that is a situation to which I have looked forward steadily during my Governorship, and as an old Parliamentarian I contemplate the return of representative institutions in this Province with satisfaction.

But here let me guard against any possibility of misunderstanding. By nobody are my feelings of satisfaction on this score shared more fully than by my Advisers who have helped to carry the burden of Government throughout six and a half years, perhaps the most exacting years in the history of the Province, not only honourably and efficiently, but with energy, resourcefulness, and a breadth of vision which do credit to the great Service to which they belong. If, then, I sing this morning the swan-song of the Advisers' regime, I do so in complete harmony with those who have served well under my predecessor and myself, and are now about to hand over to elected successors.

It would be a lengthy business to give you anything in the nature of a comprehensive review of the state of the Province, but I should like this morning to turn the spotlight on one or two of the most important aspects of the past few years' work. You have referred to the question of Law and Order, and paid a well merited tribute to the Bombay Police. I have spoken at length elsewhere on the subject of riots and civil commotion, so I will say no more here except to echo your tribute, and to observe that on every occasion when they have been tested the police have in my experience acted with courage, resolution and discipline even in the most trying circumstances. The maintenance of law and order is an essential basis of any Government, and I am confident that the police in this Province are capable of discharging their duty in this respect, and that their maintenance in efficiency and contentment will be as much in the interests of the Government of to-morrow as it is of the Government of to-day. I know this is realised by all responsible people, but there are lawless elements in our midst who are ready to grasp any opportunity of creating chaos in order to serve their own ends.

War conditions ruled out an active policy of development in many, though not in all spheres. A large and ambitious programme of land conservation and development was, for example, conceived, and initiated in Bijapur and in other areas of uncertain rainfall in the Province, but broadly speaking, it was realised that nation-building activity would have to await the return of peace, and the availability of men and materials concentrated on the war. We, therefore, set ourselves the task of providing the money and the plans for a comprehensive programme of post-war development, so that the Province should be enabled to take the fullest possible advantage in the quickest possible time of the opportunities which victory would bring. That, the Section 93 Administration can justly claim to have done.

The basis of all progress is a sound and well-ordered financial position. Between the years 1939-40 and 1945-46 the Province has undergone a considerable improvement in this respect. Much of this improvement is, of course, due to the war-time expansion of individual sources of revenue, but after making full allowance for this advantageous trend, it remains true to ascribe our present sound position to farseeing administration. During this time revenue has risen two and a half times, from 13 crores to 32½ crores. Expenditure of course has also risen, but by about two times, from 12½ crores to 26 crores, exclusive of transfers to funds. In spite, therefore, of large expenditure of a special war-time nature, such as that on A.R.P., internal security, and dearness and war allowances, roughly estimated at about 24 crores in all, in the period of which I am speaking a substantial cash balance and three large funds have been built up. The cash balance, which was about 2½ crores in all, at the end of 1939-40, is to-day about 18½ crores.

The three funds which I have mentioned are the Special Development Fund, which has expanded from about 60 lakhs in 1939-40 to about 3½ crores; the Post-war Reconstruction Fund, which is expected to be not less than 11 crores at the end of the current year; and the Debt Redemption and Avoidance Fund, which has been instituted in order to provide for the liquidation of the Province's existing debt before new debt liabilities are entered into for purposes of reconstruction. This now stands at more than 4 crores. Thus the new Government which will succeed the Section 93 Administration will be able to embark on its task in a strong financial position.

You have referred to the Sales Tax. I should have been lacking in a sense of duty if I had not brought forward this tax, as I know that the money is fully needed. It will be for the incoming Ministry to apply the measure or to modify it, but had the Section 93 Administration not enacted it, it would be open to the much

more cogent criticism of making plans for post-war reconstruction without providing the means for carrying them out. There is immense scope for progress over a wide field. One of the things that struck me most forcibly when I came to India three years ago was the fact that lack of development in many desirable directions was due to an over-cautious financial policy, and not to physical or technical difficulties. The Government's plans for raising the standard of rural life and agriculture, upon which ultimately the prosperty of the Province and India depends, have now been before the public for a considerable time, and their financial implications have been explained in two or three easily available publications. I call to mind, moreover, that a year ago now Sir Henry Knight, who was then my Financial Adviser, explained these implications in detail at a Press Conference, and at that time put the necessity for a sales tax as an additional source of revenue in the clearest perspective.

I will not elaborate on our post-war reconstruction plans. They are familiar to you, and stand ready for the new Ministry to implement, modify or abandon in favour of others of their own as it wishes. But this much is clear. An advance in rural conditions and in the efficiency of agriculture is a prime necessity imposing itself on any Government which takes power in India to-day. For, as the Vice-President has wisely pointed out, the prospect of a rapidly increasing population pressing on a weak and undeveloped agriculture is not one which can be contemplated with equanimity. The tight and precarious food situation in which India finds herself to-day all too clearly indicates the tremendous task which faces the country in even maintaining its present low standard of life among the masses of the people. Agricultural productivity has not merely got to be maintained, but increased many-fold, if the purchasing power of the people is to support commerce and industry on the scale to which India looks forward.

As regards the work of the last few years, I should like to remind you that Bombay was the first Province in India to foresee, and to take energetic measures to provide against, the food shortage which the entry of Japan into the war at the end of 1941 inflicted upon India. It was the first Province in India to introduce rationing, and to build up an efficient food administration. And it has continued to lead the country in food policy, and in maintaining essential supplies to the community. I need not stress that throughout the last three years this has been a task of enormous magnitude, in the eyes of many people three or four years ago far outstripping what the ordinary administration was deemed capable of, but it has been tackled energetically, in close and intimate consultation with public opinion through the Food Advisory Council, which has been of the greatest help, and on the whole successfully.

I have concluded my elegy on the Advisers' regime. I use the word elegy because on reference to the dictionary I find that it is defined as "a song pervaded by a tone of pensive sadness!" But dark comes before the dawn, and to-morrow morning I fly to Delhi to take part in the consultations which the Cabinet Delegation are holding with Governors. And I do so in the same spirit in which the Ministers have come out to India, a spirit of hope, and of fixed purpose that now, once for all, the problem of transferring full control of India's destiny to Indian hands shall be settled.

There is nothing I can add to the Prime Minister's recent statement in the House of Commons, and to what the Secretary of State said at Monday's Press Conference. Failure must not be contemplated, and the negotiations must have a positive outcome. But how satisfactory that outcome will be for the future of India depends entirely on the Indian parties themselves. For as the Secretary of State has said, India's freedom is no longer in issue. The problem now is to decide on the institutions to enshrine it, and that is a decision which only Indians themselves can take. In coming to a decision they will receive the fullest possible help and co-operation from the British people, both in the United Kingdom and India, through the Viceroy and the Cabinet Delegation, their accredited representatives. I pray that statesmanship, Indian and British, will rise to this supreme opportunity, and that the negotiations now about to begin will have an outcome which will enable this great country to move forward in strength to her place among the great nations of the world, and it is my earnest hope that of her free choice her walk will lie with Great Britain in an association based on genuine understanding and goodwill.

Mr. C. F. MORRIS, O.B.E., in proposing a vote of thanks to the outgoing Committee said:—Your Excellency and Gentlemen,—I have much pleasure in asking you to pass a resolution of thanks to our President, Vice-President and members of the outgoing Committee. We, as members of the Chamber, owe them our thanks for so ably fulfilling their responsibilities during the past year. Last year, when this Committee was elected, we were all still very short of staff, possibly overworked, and many of us short of leave, and we are therefore more than ever grateful to these gentlemen who came forward, and in addition to their own burdens, undertook the additional and ever increasing responsibilities and duties which service on the Chamber Committee involves. The transition period from war to peace is not, commercially, an easy one, and I feel sure the new members of the incoming Committee will greatly benefit from the deliberations of the retiring Committee. We owe special thanks to Mr. Bramble, our retiring President.

There have been occasions in the past, Your Excellency, when one of your predecessors was compared to the driver of a coach and four, congratulated on having light hands, and even compared to a coachman. I do not propose to liken Mr. Bramble to any of these Jehu-like activities. I would rather liken him to the Master of a ship, and would congratulate him and his crew on their having safely navigated our ship during the past year.

I am sure Mr. Bramble will admit that during his voyage, he has greatly benefited from the weighty experience of Mr. Percy, his Chief Officer. I not only congratulate Mr. Percy on his promotion, but also congratulate ourselves that during the next twelve months he will be Master of our ship, and we wish him and his crew a prosperous voyage, and a safe return to Port.

The proposition was seconded by MR. J. L. HURSCHLER and carried with acclamation.

ELECTION OF COMMITTEE.

Under the provisions of Article 41 of the Articles of Association, the following eight gentlemen were nominated by the retiring Committee in conjunction with the incoming President and Vice-President for election as ordinary members of the Committee for the year 1946-47.

MR. C. R. AGAR.
MR. C. P. BRAMBLE, C.I.E., M.L.A.
MR. C. J. DAMALA.
MR. R. L. FERARD.
MR. A. D. FINNEY.
MR. H. F. MILNE.
MR. E. W. A. RICHARDSON.
MR. W. G. J. SHAW.

The names having been circulated to members with the notice convening the meeting, they are deemed to have been duly proposed for election in accordance with Article 41. The President therefore submitted each name to the vote of the meeting and each was duly elected a member of the Committee of the Chamber for 1946-47.

THE PRESIDENT proposed, Mr. C. E. PENN seconded and it was unanimously agreed—

"That MESSRS. A. F. FERGUSON & Co. be and are hereby elected Auditors of the Chamber's accounts for the year 1946 at a remuneration of Rupees Two hundred and fifty."

In proposing a vote of thanks to His Excellency the Governor, MR. W. M. MARTIN, O.B.E., said :—Your Excellency, Mr. President, and Gentlemen,—Since being asked to propose this vote of thanks, I have been turning over in my mind the various types of votes of thanks ranging from that pompous and completely useless vote of thanks given by a Board of Directors to their Staff, to the fabulous exhibition of admiration, esteem and thanks recently witnessed at the Brabourne Stadium.

I regret to say, Sir, that during your address to this Chamber, I was guilty of an insubordinate thought, in as much I thought it was a good thing that Your Excellency's term of office did not exceed five years. Had your Excellency been in control of the Government of this Province for thirty, forty, or fifty years, the example recently set to us may have made it incumbent upon the members of this Chamber to weigh your Excellency in one or other of the precious metals, if not in precious stones. While it is probably considered that members of this Chamber are men of substance, which I hasten to add is entirely erroneous, we are not as wealthy as all that. But, had we had to have weighed Your Excellency, we would have, at any rate, been consoled by the fact that it would not have been as expensive a proposition as that of the ceremony recently performed, at which that August Prince was weighed. However, I can assure Your Excellency that we are prepared now, or at any future time, to weigh you against the esteem and regard which members of this Chamber feel towards you.

I think I have the support of the members of this Chamber when I say that we admire the way in which the President and Committees of this Chamber conduct our business, the efficiency and not least of all, the dignity with which affairs of the Chamber are dealt with.

The presence of you, Sir at our Annual General Meeting greatly enhances the prestige and dignity of our Chamber's work, and I would therefore on behalf of this Chamber extend to you our sincere and grateful thanks for attending this Annual General Meeting.

The proposition was carried with acclamation and the proceedings terminated.

Bombay Chamber of Commerce

ANNUAL REPORT FOR 1945

ELECTION OF PRESIDENT OF THE CHAMBER FOR THE YEAR 1946-47.

In accordance with the prescribed regulations MR. A. W. PERCY was elected President of the Chamber for the year 1946-47.

CHANGES IN THE COMMITTEE DURING 1945.

Under Article 43 of the Chamber's Articles of Association the Committee after the annual general meeting have to nominate two duly qualified persons to be ordinary members of the Committee. In accordance with the provisions of this Article the Committee nominated MR. W. L. A. RADCLIFFE and MR. E. W. A. RICHARDSON.

In August 1945 MR. W. KERR resigned his seat on the Committee owing to his departure from Bombay and MR. H. C. MACCOLL was nominated to serve in his stead. MR. MACCOLL resigned his seat in February 1946 and MR. C. G. MARRABLE was nominated to serve in his stead.

BOMBAY PORT TRUST.

CHAMBER'S REPRESENTATIVES.

(*See Report* 1944, *page* 1.)

The term of office of MESSRS. W. A. BELL, L. P. S. BOURNE, R. W. BULLOCK, R. C. LOWNDES and A. MCINTOSH as representatives of the Chamber on the Board of Trustees of the Port of Bombay expired on the 31st March 1945. In accordance with the prescribed regulations, MESSRS. W. A. BELL, R. W. BULLOCK, C. J. DAMALA, A. D. FINNEY and D. R. C. HARTLEY were elected to serve for a period of two years with effect from the 1st April 1945.

In April 1945 MR. C. W. WARRINGTON was elected to serve as a Trustee in place of MR. W. A. BELL who had obtained leave of absence from the Board Meetings for three months.

In May 1945 MR. G. P. PAKENHAM WALSH was elected to serve as a Trustee during the absence on leave for four months of MR. C. J. DAMALA.

BOMBAY MUNICIPAL CORPORATION.

CHAMBER'S REPRESENTATIVE.

(*See Report* 1941, *page* 2.)

In October 1945 MR. H. CHAMBERLAIN, the Chamber's representative in the Bombay Municipal Corporation, resigned his seat owing to his impending retirement and MR. C. B. COCKAINE was elected to serve in his stead.

B. B. & C. I. RAILWAY LOCAL ADVISORY COMMITTEE.

CHAMBER'S REPRESENTATIVE.

(*See Report* 1942, *page* 2.)

The term of office of MR. C. W. WARRINGTON, the Chamber's representative on the B. B. & C. I. Railway Local Advisory Committee, Bombay, expired on the 8th January 1945 and the Committee of the Chamber re-nominated MR. WARRINGTON to serve for a further period.

BOMBAY SMOKE NUISANCES COMMISSION.

CHAMBER'S REPRESENTATIVE.

(*See Report* 1943, *page* 2.)

In July 1945 MR. H. F. MILNE, the Chamber's representative on the Bombay Smoke Nuisances Commission, resigned his seat on proceeding to Europe and MR. J. G. MILNE was nominated to serve in his stead.

In September 1945 the Government of Bombay notified the Chamber that the period of constitution of the Bombay Smoke Nuisances Commission would expire on the 31st December 1945, after which date a new Commission would have to be constituted under the Bombay Smoke Nuisances Act for a further period of two years. The Chamber was requested to communicate to Government the name of the member who might be nominated as its representative on the Commission.

The Committee nominated MR. H. F. MILNE.

AUXILIARY FORCE ADVISORY COMMITTEE.

CHAMBER'S REPRESENTATIVE.

(*See Report* 1944, *page* 2.)

In March 1945 the Government of Bombay informed the Chamber that the term of office of the existing Advisory Committee for the Bombay District under the Auxiliary Force Act, 1920, would expire on the 31st March 1945 and requested the

Chamber to nominate its representative to serve on the Committee for the year 1945-46.

The Committee renominated MR. L. A. HALSALL.

ROYAL BOMBAY SEAMEN'S SOCIETY.

CHAMBER'S REPRESENTATIVE.

(*See Report* 1944, *page* 3.)

In March 1945 the Chamber was asked to nominate a representative to serve as a member of the Royal Bombay Seamen's Society under the provisions of Rule 1(*e*) of the Rules and Regulations of the Society. The Committee re-nominated MR. C.H. COURTHOPE-MUNROE.

INDIAN COCONUT COMMITTEE.

CHAMBER'S REPRESENTATIVE.

(*See Report* 1944, *page* 4.)

In February 1945 MR. F. G. LOBB, the Chamber's representative on the Indian Coconut Committee, resigned his seat and MR. A. NORMAN GILES was nominated to serve in his stead.

TRAFFIC ADVISORY COMMITTEE.

CHAMBER'S REPRESENTATIVE.

(*See Report* 1938, *page* 4.)

MR. J. S. R. SPELMAN, the Chamber's representative on the Traffic Advisory Committee, resigned his seat in March 1945 and MR. V. CORBETT WRIGHT was nominated to serve in his stead.

INDIAN SAILORS' HOME SOCIETY.

CHAMBER'S REPRESENTATIVE.

In December 1945, MR. C. E. LEMAN the Chamber's representative on the Committee of Management of the Indian Sailors' Home Society, resigned his seat on leaving India and MR. N. MCLEOD was nominated to serve in his stead.

BACK BAY RECLAMATION SCHEME—STANDING ADVISORY COMMITTEE.

CHAMBER'S REPRESENTATIVE.

(*See Report* 1936, *page* 3.)

Towards the end of June 1945 the Public Works Department of the Government of Bombay informed the Chamber that it was proposed to continue the Standing Advisory Committee for the

Back Bay Reclamation Scheme for a further period of three years from 1st August 1945 and requested the Chamber to submit the name of its representative.

The Committee re-nominated MR. L. A. HALSALL.

SYDENHAM COLLEGE ADVISORY BOARD.

CHAMBER'S REPRESENTATIVE.

(*See Report* 1942, *page* 1.)

In June 1945 the Chamber was informed that the Government of Bombay had sanctioned the reconstitution of the Advisory Board of the Sydenham College of Commerce and Economics for the triennium commencing from the 25th May 1945 and the Chamber was invited to nominate a representative to serve on the Advisory Board for the current triennium. The Committee re-nominated MR. R. W. BULLOCK.

GUNNIES AND HESSIANS MOVEMENTS PANEL.

CHAMBER'S REPRESENTATIVE.

(*See Report* 1943, *page* 5.)

In May 1945 MR. C. J. DAMALA, the Chamber's representative on the Gunnies and Hessians Movements Panel, obtained leave of absence for about four months and MR. M. PASPATTI was nominated to serve during his absence.

EXPORT ADVISORY COUNCIL—BOMBAY PORT COMMITTEE.

CHAMBER'S REPRESENTATIVE.

(*See Reports* 1940, *page* 190; 1943, *page* 40.)

In June 1945 MR. L. F. H. GOODWIN was nominated to represent the Chamber at a meeting of the Bombay Port Committee held on 6th June 1945 in place of MR. J. M. B. GIBBONS who was at that time in the United Kingdom. MR. GOODWIN also represented the Chamber at a meeting of the Export Advisory Council held in July 1945.

ADVISORY COMMITTEE TO EXPORT TRADE CONTROLLER.

CHAMBER'S REPRESENTATIVE.

(*See Report* 1943, *page* 4.)

In February 1945 MR. L. F. H. GOODWIN, the Chamber's representative on the Advisory Committee to the Export Trade Controller, resigned his seat and MR. C. J. DAMALA was nominated to serve in his stead.

In May 1945 MR. DAMALA obtained leave of absence for about four months and MR. GOODWIN was nominated to serve during his absence.

IMPORTS OF WOOLLEN PIECEGOODS.

CHAMBER'S REPRESENTATIVE ON ADVISORY COMMITTEE.

Towards the end of August 1945 the Deputy Controller General of Civil Supplies (Distribution) informed the Chamber that it was proposed to appoint a representative of the Chamber on the Committee which advises the Controller General regarding the distribution of imported woollen piecegoods, and requested that the name of such representative might be submitted.

The Committee of the Chamber nominated MR. L. A. HALSALL.

PROVINCIAL INDUSTRIES COMMITTEE.

CHAMBER'S REPRESENTATIVE.

In April 1944 the Government of Bombay informed the Chamber that it was proposed to appoint a Provincial Industries Committee for the Province of Bombay on the lines of the Policy Committee for Industries appointed by the Government of India. The functions of the Committee would be as follows :—

1. To recommend what existing industries in the Province should be further expanded and what new industries should be started during the post-war period.

2. To consider which of the industries recommended for expansion or starting can best be organized as large-scale industries and which as small-scale or cottage industries.

3. To suggest the most suitable sites for the location of the various industries, with due regard to the availability of labour, water supply, electric power, raw materials, markets and the desirability of preventing congestion in thickly populated areas.

4. To consider whether the industries in question should be promoted by Government or private agency; if by private agency, whether Government should participate and what help would be required from the Provincial or Central Government.

5. To advise the Government of Bombay in regard to panels to be set up for individual industries, consisting of persons specially interested in the industry in question, such as business men industrialists, and technical experts, if available.

It was proposed to appoint the following members on the Committee along with certain other official and non-official members, viz.—

(1) a representative of the Millowners' Association, Bombay
(2) a representative of the Bombay Chamber of Commerce
(3) a representative of the Indian Merchants' Chamber
(4) a representative of the All-India Manufacturers' Organisation and
(5) a representative of the All-India Muslim Chamber of Commerce.

The Chamber was requested to nominate a representative for appointment on the Committee, and MR. A. W. PERCY, Vice-President of the Chamber, was nominated.

BOMBAY FOOD ADVISORY COUNCIL.

CHAMBER'S REPRESENTATIVE.

(*See Report* 1942, *page* 53.)

In April 1945 MR. J. M. B. GIBBONS, the Chamber's representative on the Food Advisory Council, intimated that he was proceeding to the United Kingdom for about three to four months and MR. C. R. AGAR was nominated to serve during his absence.

GOVERNING BODY OF I. M. M. T. S. "DUFFERIN."

CHAMBER'S REPRESENTATIVE.

(*See Report* 1944, *page* 3.)

In March 1945 MR. L. P. S. BOURNE, the Chamber's representative on the Governing Body of the I.M.M.T.S. "Dufferin," resigned his seat and the Committee nominated MR. A. D. FINNEY to serve in his stead.

MEETING OF MACHINE TOOLS PANEL.

CHAMBER'S REPRESENTATIVE.

A meeting of the Industrial Panel set up by the Government of India for advising on the development of the Machine Tools Industry in India was held at Bombay on the 26th and 27th July 1945. It was arranged to have an informal discussion at the meeting on the 27th July with representatives of Chambers of Commerce and other interested Associations. MR. E. W. A. RICHARDSON was nominated to attend on behalf of the Chamber.

INDIAN ENGINEERING ASSOCIATION : BOMBAY REGION.

In September 1945 at the request of the Indian Engineering Association, Bombay Region, the Committee agreed that the Secretarial work of the Association should be undertaken by the Chamber.

BOMBAY LEGISLATIVE ASSEMBLY.

Electoral Roll of the Chamber.

The Electoral Roll of the Bombay Chamber of Commerce and Bombay Presidency Trades Association Constituency of the Bombay Legislative Assembly was revised in 1941 and owing to changes in the staffs of members it was in many cases out of date. The Committee accordingly in September 1945 requested the Government of Bombay to move His Excellency the Governor to permit the roll to be amended under the provisions of Rule 25(1) of the Bombay Legislative Assembly Electoral (Preparation, Revision and Publication of Electoral Rolls) Rules, 1936.

The Governor of Bombay appointed Monday, the 3rd December 1945, for the first publication of the list of amendments to the electoral roll and Monday, 21st January 1946 for the second publication.

SUB-COMMITTEES.

The undermentioned gentlemen were nominated to serve on the following Standing Sub-Committees of the Chamber for the year 1945-46 :—

Import.

R. A. F. Kidson, Esq. (*Chairman*).
W. J. Burrows, Esq.
R. A. M. Henson, Esq.
T. Kemp, Esq.
J. C. Lancashire, Esq.
H. B. Reinhart, Esq.
C. W. H. P. Waud, Esq.

Engineering (Imports).

E. J. C. Herring, Esq., (*Chairman*).
C. J. Bollins, Esq.
A. Forrington, Esq.
E. Lewis, Esq.
R. H. Schuepp, Esq.

Export.

L. F. H. Goodwin, Esq. (*Chairman*).
J. L. Hurschler, Esq.
A. Moch, Esq.
M. Paspatti, Esq.
R. G. Saraiya, Esq.

Docks and Railways.

J. B. Barclay, Esq. (*Chairman*).
J. G. Milne, Esq.
S. G. Pick, Esq.
C. W. Warrington, Esq.
A. O. C. Wilson, Esq.

Shipping.

A. D. Finney, Esq. (*Chairman*)
D. Stewart Brown, Esq.
C. O. Fountain, Esq.
C. F. Morris, Esq.
D. A. H. Windle, Esq.

Finance.

Maneklal Premchand, Eqs. (*Chairman*).
A. C. Clarke, Esq.
N. G. Irvine, Esq.
R. E. Lewis, Esq.

Income-tax.

A. E. Blair, Esq. (*Chairman*).
G. A. H. Alexander, Esq.
C. R. Sharp, Esq.
B. J. Whitby, Esq.

Labour.

H. C. de Mierre, Esq. (*Chairman*).
A. H. Ford, Esq.
J. C. Lancashire, Esq.
C. A. Osborn, Esq.
E. W. A. Richardson, Esq.
G. Pakenham Walsh, Esq.

Weather Working Days.

A. D. Finney, Esq.
R. W. Bullock, Esq.
W. L. A. Radcliffe, Esq.

Staff.

C. P. Bramble, Esq.
A. W. Percy, Esq.
R. W. Bullock, Esq.

In August 1945 MR. J. B. BARCLAY resigned his seat on the Docks and Railways Sub-Committee and MR. F. P. VANDERTAELEN was nominated to serve in his stead.

In June 1945 MR. B. J. WHITBY proceeded to England on five months' leave and MR. J. S. TAIT was appointed to serve during his absence.

HONORARY MEMBERSHIP OF THE CHAMBER.

Under the powers conferred by Article 25 of the Chamber's Articles of Association the Committee in September 1945 elected MR. C. B. COCKAINE, Secretary of the European Group in the Provincial Legislative Assembly, as an Honorary Member of the Chamber.

MEMBERSHIP.

The total membership of the Chamber on the 2nd January 1946 was 217 against 210 at the beginning of 1945.

The following are the names of members elected:

MESSRS. HAJI HASAN DADA. Proposed by the Habib Bank Ltd., and seconded by the Bank of India, Ltd.

MESSRS. TULSIDAS KHIMJI. Proposed by Messrs. Premchand Roychand & Sons, Ltd., and seconded by the Chartered Bank of India, Australia & China.

MESSRS PAVRI SONS & Co. Proposed by the Netherlands Trading Society and seconded by the Mercantile Bank of India, Ltd.

THE DHANRAJ MILLS, LTD. Proposed by Messrs. Volkart Brothers and seconded by Messrs. Gannon Dunkerley & Co., Ltd.

MESSRS. PEARLS, GEMS and GENERAL AGENCY LTD. Proposed by Messrs. Gill & Co., and seconded by the Eastern Bank Ltd.

THE INTERNATIONAL SYNDICATE. Proposed by Messrs. Glenfield & Kennedy, Ltd., and seconded by the Chartered Bank of India, Australia and China.

MESSRS. CURRIMJEE JEEWANJEE & Co. Proposed by Messrs. Mackinnon Mackenzie & Co., and seconded by the Chartered Bank of India, Australia and China.

MESSRS. BIDDLE SAWYER & Co. (INDIA), LTD. Proposed by the Mercantile Bank of India Ltd., and seconded by Messrs. Kemp & Co., Ltd.

THE ELEPHANT OIL MILLS LTD. Proposed by the Mercantile Bank of India, Ltd., and seconded by Messrs. A. F. Ferguson & Co.

The following resigned their membership of the Chamber :—

MESSRS. CHELLSONS LTD.

MESSRS. BLUNDELL SPENCE & Co., LTD.

MEMBERSHIP OF CHAMBERS OF COMMERCE OF FIRMS ESTABLISHED IN INDIAN STATES.

The views of the Chamber were asked by the Associated Chambers of Commerce of India on a point raised by another Chamber concerning the admission to membership of constituent Chambers of firms established in business in Indian States. It was mentioned that the admission of such members would mean opening the door to becoming involved in State legislation which was sometimes contrary to the legislation on similar subjects in British India.

The Committee were of the opinion that as the problem raised was one of considerable importance to the constituent Chambers, consideration should be deferred until the annual general meeting when it could form an item on the agenda.

The majority view of the constituent members of the Association was that no bar should be placed in the way of Indian States firms entering membership if otherwise eligible.

MEASUREMENT DEPARTMENT DOCK OFFICE.

(*See Reports* 1939, *page* 9 ; 1944, *page* 156.)

The five chowkies of the Measurement Department lying in Victoria Dock were destroyed as a result of the explosion and fire that occurred in that Dock in April 1944. As it was felt that

it would be better to have a permanent central structure erected at Alexandra Dock for accommodation of the Measurement Staff in that Dock the necessary permission was obtained from the Port Trust and a building measuring 20 feet by 20 feet was erected. Two of the movable chowkies were subsequently shifted to Victoria Dock.

DEARNESS ALLOWANCE TO CHAMBER'S STAFF.

(*See Reports* 1941, *page* 158 ; 1942, *page* 6 ; 1943, *page* 8; 1944, *page* 8.)

The Committee decided, with effect from 1st May 1945, to increase the dearness allowance to the Chamber's menial staff from Rs. 15 to Rs. 20 per month.

CHAMBER'S DAILY TRADE RETURN.

Disclosure of Importers' Names.

In July 1945 the Collector of Customs, Bombay, intimated that for purposes of trade returns the names of the actual importers and not the clearing agents should appear under the designation "importers." The prevailing practice was that actual importers did not sign Bills of Entry but these documents were signed by the clearing agents or banks on their behalf. The Chamber consequently had no option but to enter the names of the signatories in the Daily Trade Return. The views of the Collector of Customs were circulated amongst members of the Chamber and as the majority of the replies received were in favour of the suggestion, arrangements were made for the actual importers' names to appear in the Daily Trade Return.

TONNAGE SCALE.

Bone Grist 3/16".

In April 1945 the Chamber was informed by a member that the Bombay/United Kingdom Conference Lines had fixed the scale for Bone Grist 3/16" Mesh at 18 cwts. to the ton but one of the shippers maintained that the scale should be 20 cwts. to the ton and requested that a test be made by the Chamber.

In reply the Committee informed the member that the Chamber was not in a position to undertake the test as the Chamber's testing bin was destroyed by fire in April 1944 and it had not been possible so far to replace it.

In the view of the Committee, however, the offer to carry 3/16" at 18 cwts. appeared to be quite reasonable.

VISIT TO THE CHAMBER OF MAJOR M. HASSAN.

The Indian Trade Commissioner-Designate to Iran, MAJOR M. HASSAN, visited the Chamber on Friday, 5th January 1945, and had a general discussion with members in regard to the feasibility of increasing trade between India and Iran.

VISIT TO THE CHAMBER OF MR. R. R. SAKSENA.

(*See Report* 1941, *page* 14).

MR. R. R. SAKSENA, M.A., LL.B., Indian Government Trade Commissioner in Australia, visited the Chamber on the 14th November 1945 and discussed with members matters concerning trade between India and Australia.

VISIT TO THE CHAMBER OF MR. M. R. AHUJA.

MR. M. R. AHUJA, the Indian Government Trade Commissioner to Canada, visited the Chamber on Thursday, 8th November 1945, and had an informal discussion with the President on matters relating to India's trade with Canada.

VISIT TO THE CHAMBER OF THE OFFICER ON SPECIAL DUTY, OFFICE OF THE HIGH COMMISSIONER FOR INDIA, LONDON.

MR. S. S. BAJPAI, Officer on Special Duty, Trade Department of the Office of the High Commissioner for India, London, for the purpose of exploring the possibilities of rehabilitation of India's trade with Western Europe, visited the Chamber on the 4th January 1946 and had an informal discussion with members on questions affecting India's export trade with the countries in Western Europe.

ASSOCIATED CHAMBERS OF COMMERCE OF INDIA.

ANNUAL MEETING.

The annual meeting of the Associated Chambers of Commerce of India was held at the Royal Exchange, Calcutta, on Monday, 10th December 1945. The meeting was opened by His EXCELLENCY FIELD-MARSHAL THE RIGHT HONOURABLE THE VISCOUNT WAVELL, P.C., G.C.B., G.C.S.I., G.C.I.E., C.M.G., M.C., Viceroy and Governor-General of India. The Bombay Chamber of Commerce was represented by MR. C. P. BRAMBLE, President of the Chamber and Deputy President of the Association.

The following is a list of subjects in connection with which resolutions were adopted by the meeting :—

(1) War-time Controls.
(2) Taxation and Expenditure.
(3) Income-tax Appellate Tribunal.

(4) Income-tax: Depreciation Allowances.
(5) Co-ordination of Excise.
(6) Coal.
(7) Air Mails.
(8) Telephone and Telegraph Services.

CENTRAL ADVISORY COMMITTEE FOR LIGHTHOUSES.

ASSOCIATED CHAMBERS' REPRESENTATIVES.

(*See Report* 1944, *page* 9.)

In May 1945 MR. L. P. S. BOURNE, one of the representatives of the Associated Chambers of Commerce of India on the Central Advisory Committee for Lighthouses, resigned his seat on transfer from Bombay and MR. A. D. FINNEY was nominated by the Committee of this Chamber to serve in his stead.

In June 1945 the Associated Chambers of Commerce of India informed the Chamber that the Central Advisory Committee for Lighthouses appointed in 1943 for a period of two years with effect from the 1st April 1943 had ceased to exist and a fresh Committee had to be reconstituted for a similar period from the 1st April 1945.

The Committee of the Chamber re-nominated MR. A. D. FINNEY to serve as one of the representatives of the Associated Chambers on the Central Advisory Committee.

The Chamber was subsequently informed that the names of the following gentlemen had been submitted by the Association to the Government of India for re-appointment as its representatives :—

MR. P. J. KNOTT, Calcutta.
MR. A. D. FINNEY, Bombay.
MR. J. R. GALLOWAY, Madras.

INDIAN ACCOUNTANCY BOARD.

NOMINEE OF ASSOCIATED CHAMBERS.

(*See Reports*, 1938, *page* 42 ; 1939, *page* 237 ; 1944, *page* 11.)

In April 1945 the Associated Chambers of Commerce of India informed the Chamber that it had been necessary for MR. W. S. C. TULLEY, M.B.E., C.A., to resign his seat on the Indian Accountancy Board as the nominated representative of the Association owing to his having taken up Government employment. The Association called for candidates to fill the vacancy. The Committee supported the candidature of MR. R. K. FETTES, C.A., B.A., nominated by the Bengal Chamber, and were subsequently informed that a majority of votes and been cast by the constituent Chambers in his favour.

EXPORT ADVISORY COUNCIL.

ASSOCIATED CHAMBERS' REPRESENTATIVES.

(*See Reports*, 1940, *page* 190 ; 1944, *page* 9.)

A meeting of the Export Advisory Council was held in Bombay on the 28th September 1945. As SIR HENRY RICHARDSON, one of the representatives of the Associated Chambers of Commerce of India on the Council, had resigned his seat, MR. M. PASPATTI was nominated to attend in his stead. MR. J. M. B. GIBBONS, the other representative, was also out of India, and MR. C. P. BRAMBLE was nominated to deputise for him.

ALL-INDIA BOARD OF ARCHITECTURAL STUDIES.

ASSOCIATED CHAMBERS' REPRESENTATIVE.

In March 1945 the Associated Chambers of Commerce of India enquired whether this Chamber desired to nominate a gentleman for election as the representative of the Association on the All-India Board of Architectural Studies.

The functions of the Board were to ensure that the standard of teaching, accommodation, library and general equipment in each recognised school was maintained and to co-relate the courses and examinations in all such schools. The functions would be implemented by the approval of the courses, the scrutiny of the examination and answer papers and by visits of inspection in connection with both the teaching and examinations.

The Committee informed the Associated Chambers that they did not desire to put forward any name for election and were subsequently informed that the President had nominated MR. BERNARD MATHEWS, F.R.I.B.A., F.S.I., M.T.P.I., Calcutta, to represent the Association on the Board.

ALL-INDIA COUNCIL FOR TECHNICAL EDUCATION.

ASSOCIATED CHAMBERS' REPRESENTATIVES.

In a resolution drafted by the Government of India it was stated that in their plan for Post-war Development in India the Central Advisory Board of Education gave reasons for their belief that technical education at the higher stages could not in modern conditions be effectively organized on a provincial basis. They emphasized the need for planning this particular branch of education on an all-India basis if there was to be substantial industrial development in the post-war period and remarked that " to stimulate, co-ordinate and control the provision of the educational facilities, which such a development as well as existing industry will need, there must be an all-India body in supreme charge." They accordingly recommended the establishment of a National Council for Technical Education which, they suggested, should control policy in technical education generally and deal with all technical institutions above the high school stage except the Technological Departments of Universities. It was obvious

that this recommendation raised issues agreement on which was likely to be reached only after considerable discussion with the various authorities concerned. At the same time the development of technical or practical instruction at all stages was important not only in view of the accepted need for making Indian education generally more realistic but also because it had an essential and urgent contribution to make towards other branches of post-war reconstruction which would demand a large increase in the available supply of Indian technologists and technicians. A necessary preliminary to any planned and balanced development of technical education was a survey by a single competent body of existing facilities, probable post-war requirements and present and prospective proposals for development in this important sphere of education. For the immediate task of survey and advice it was not necessary that an All-India Council for Technical Education should be endowed with executive, administrative and controlling powers of any kind or that its establishment should be delayed until all the issues raised by the Central Advisory Board's recommendations had been settled. It had accordingly been decided that the All-India Council for Technical Education should be set up immediately composed in the way suggested by the Central Advisory Board, but entrusted in the first instance with purely advisory functions. It would be understood that the decision to set up the Council immediately with purely advisory functions was without prejudice and at the same time without commitment to the full implementation at a later date of the proposals in this behalf of the Central Advisory Board.

The Central Advisory Board had envisaged the establishment of a Council representative of all the main interests concerned with technical education. Acceptance of this view precluded the setting up of a small and compact body. Technical education had many facets and the representation of the interests best qualified to assist the attainment of the objects in view could be achieved only at the expense of enlarging the size of the Council. It would be open to the Council to appoint such executive committees or other subordinate bodies as might be required to facilitate the discharge of its business. It was proposed that the Council should be composed as under :—

Chairman	..	An eminent person connected with Industry or Commerce.
Members	..	(*a*) Representatives of the Government of India.
		(*b*) Representatives of Provincial Governments.
		(*c*) Representatives of Indian States.
		(*d*) Representatives of Industry, Commerce and Labour.
		(*e*) Representatives of the Central Advisory Board of Education in India.
		(*f*) Representatives of Indian Universities imparting higher technical education.
		(*g*) Representatives of the Association of the Principals of Technical Institutions in India.
		(*h*) Representative of the Institution of Engineers (India).

The immediate task of the Council of Technical Education would be to survey the needs of the country as a whole for higher technical education, with special reference to prospective post-war needs, and to advise in what areas technical institutions should be established, for what branches of technology each should provide and up to what standards they should operate. In particular, it would be empowered :—

(*a*) to survey the whole field of technical education in consultation with Provincial Governments and such Indian States as might be willing to co-operate with it ;

(*b*) to consider such immediate projects as were already under consideration by various departments of the Government of India, e.g., the provision of a senior all-India polytechnique on the lines of the M.I.T. (Massachusetts Institute of Technology) or the establishment of a Technical College for Electrical (Power) Engineering, and to assign to these their appropriate place in an all-India scheme ; and

(*c*) to conduct preliminary investigations with a view to ascertaining the conditions on which the authorities concerned would be prepared to hand over to the All-India Council such technical institutions now controlled by them as in the opinion of the Council it might be desirable to incorporate in an all-India scheme.

For this purpose the Council would require the services as Secretary of a senior officer with the appropriate staff. The officer in question must be a person with high technical qualifications and the requisite administrative and industrial experience. The All-India Council would be attached to the Education, Health and Lands Department and their Secretary would be on the staff of that Department.

Subsequently the Chamber was informed by the Associated Chambers of Commerce of India that the Association had been requested to nominate two representatives to serve on the All-India Council for Technical Education, and inquired whether the Chamber desired to submit any names. The Committee submitted the name of MR. A. S. TROLLIP, C.I.E.

Subsequently the Chamber was informed that MR. TROLLIP and MR. W. F. SCOTT-KERR had been nominated as the Association's representatives.

INDIAN CENTRAL TOBACCO COMMITTEE.

ASSOCIATED CHAMBERS' REPRESENTATIVE.

Shortly after the imposition of an excise duty on cured tobacco in 1943, the Government of India decided that a non-lapsable grant of Rs. 10 lakhs per annum be given to the Imperial Council

of Agricultural Research for financing measures for the improvement of the production and marketing of tobacco pending the establishment of a Central Tobacco Committee of an all-India character. The importance of tobacco as a valuable commercial crop, the variety and complexity of the problems relating to its production, processing and marketing and the pressing need of adopting well co-ordinated measures for the improvement and development of all aspects of the production and marketing of the different varieties of tobacco had led the Government of India to decide that steps should be taken immediately to set up a Central Tobacco Committee. This Committee would be a body corporate registered as a society under the Registration of Societies Act (XXI of 1860), with headquarters at such place as the Committee might decide.

The functions of the Indian Central Tobacco Committee would be to assist in the improvement and development of the production and marketing of tobacco and tobacco products and all matters incidental thereto.

Subject to a reserve power of nomination by the Governor General in Council so as to permit of appointments to the Committee to meet special requirements which might vary from time to time it was decided that the Committee should consist of 45 members one of whom would be a nominee of the Associated Chambers of Commerce.

In reply to an enquiry from the Associated Chambers as to whether the Chamber desired to nominate any gentleman for election as the Association's representative, the Committee stated that they did not desire to submit any name.

The Chamber was subsequently informed that MR. M. H. POWELL whose name had been submitted by the Punjab Chamber, had been nominated as the representative of the Associated Chambers.

GOVERNMENT OF INDIA DEPARTMENT OF PLANNING AND DEVELOPMENT.

ASSOCIATED CHAMBERS' REPRESENTATIVE ON RECONSTRUCTION COMMITTEE.

(*See Reports*, 1941, *page* 173; 1942, *page* 46; 1944, *page* 71.)

SIR HENRY BIRKMYRE, the representative of the Associated Chambers of Commerce of India on the Transport (including railways, ports, inland water transport, roads and road transport) Section of the Public Works and Communications Reconstruction (Policy) Committee of the Government of India, resigned his seat in January 1944 and the Association invited constituent

Chambers to put forward nominations to fill the vacancy. The Committee of the Chamber nominated MR. I. A. T. SHANNON of Burmah-Shell Oil Storage and Distributing Co. of India, Ltd.

The Bengal Chamber at the same time nominated MR. M. A. F. HIRTZEL, O.B.E., of Messrs. Macneill & Co., Calcutta. The Committee withdrew Mr. Shannon's name in favour of that of Mr. Hirtzel.

FEDERATION OF CHAMBERS OF COMMERCE OF THE BRITISH EMPIRE.

CONFERENCE.

The Chamber was advised by the Associated Chambers in July 1945 that the Federation of Chambers of Commerce of the British Empire proposed to hold a conference in London commencing on the 15th of October with the object of discussing, among other subjects, (*a*) Imperial Preference, (*b*) Development of primary production and secondary industries, (*c*) bulk buying, (*d*) international payments, and (*e*) communication by sea and air. The Associated Chambers were requested to nominate five delegates. The Committee were subsequently informed that the following delegates were nominated to represent the Associated Chambers :—

Sir George Morton, O.B.E., M.C. (Bengal).

Sir Tracy Gavin Jones (Upper India).

Sir James Nuttall (Madras).

Mr. L. P. S. Bourne (Bengal).

Mr. J. C. F. Davidson (Northern India).

THE WAR.

(*See Reports*, 1939, *page* 17 ; 1940, *page* 15 ; 1941, *page* 17 ; 1942, *page* 16 ; 1943, *page* 14 ; 1944, *page* 12).

The following are some of the more important subjects affecting commerce which came under the consideration of the Committee of the Chamber during the year under review arising out of the War between the United Nations and Germany, Italy and Japan.

VISITS TO THE CHAMBER OF MR. F. M. INNES.

MR. F. M. INNES, I.C.S., Chief Controller of Imports, who was accompanied by MR. S. N. MEHTA, Acting Deputy Chief Controller of Imports, Bombay, met members of the Chamber

on Wednesday, 4th April 1945, and informally discussed the following questions :—

(1) Imports of Sateens ;
(2) Imports of Chrome ;
(3) Imports of Infant Foods ;
(4) Imports of Sanitary Fittings ;
(5) Basic period for import quotas of Cotton Piecegoods ;
(6) Imports of Mercerised Cotton Yarn of 40s and over from the United States of America ;
(7) Imports of Yellow Metal Sheets from the United States of America ;
(8) Price Control ;
(9) Imports of Flax, Canvas, Fire Hose;
(10) Imports of Carburetted Water Gas Plant ;
(11) Import of Films from the United States of America;
(12) Licences for Expanded Metal, Distemper, Waterproof Compound and Bitumastic Roofings ;
(13) Imports of Motor Trucks and Motor Accessories ;
(14) Imports of Automobile Accessories from Australia ;
(15) Delays in receiving replies to applications for import licences;
(16) Licences for import of Lifts from the United Kingdom ;
(17) Import of Diesel Road Rollers ;
(18) Delay in replying to letters ;
(19) Imports of Woollen Goods ;
(20) Import licences for liquor from South Africa intended for use on ocean-going steamers.

MR. INNES accompanied by MR. M. H. MAHMOOD, Deputy Chief Controller of Imports, Bombay, again visited the Chamber on Monday the 12th November 1945 and informally discussed the following questions :—

1. Granting of import licences to people who were not previously in the particular trade.
2. Delays in the issue of import licences.
3. Imports from the U.S.A. and the Continent.
4. Imports of drugs and medicines.
5. Traffic in import licences.
6. Imports of Sodium Sulphite and Sodium Carbonate.
7. Disposal of surplus stores imported by Government.

VISIT TO THE CHAMBER OF MR. K. G. MENON.

MR. K. G. MENON, M.B.E., I.C.S., Chief Controller of Exports, visited the Chamber on Monday the 30th July 1945 and had an informal discussion with members on the following subjects :—

(i) Re-export of imported foreign piecegoods.
(ii) Export of printed books to Burma and Ceylon.
(iii) Delays in issue of Export Licences.
(iv) Classification of prices of Indian manufactured knitted fabrics.
(v) Ban on export of certain chemicals.

(vi) Export permits for packed stores sent ex-bond by vessels for delivery at other ports on board other vessels for consumption.

(vii) Cancellation of general permission to export ships' stores for use of vessels lying at African and Persian Gulf ports.

(viii) Export of foodstuffs for Indian crews in Australia.

(ix) Export of Musk.

WAR RISKS (GOODS AND FACTORIES) INSURANCE.

(*See Reports* 1943, *page* 49; 1944, *page* 41.)

On the 10th March 1945 the Commerce Department of the Government of India issued a Press Note intimating that the Central Government had decided that the rate of premium payable under any policy issued under the War Risks (Goods) Insurance Scheme, for the quarter ending June 1945 in respect of goods liable to compulsory insurance should be reduced to nine pies per month or part of a month for each complete sum of one hundred rupees.

On the 21st June 1945 the Commerce Department issued notifications intimating that it had been decided that all policies issued under the War Risks (Goods) Insurance Scheme expiring on 30th June 1945 should be deemed to be effective for the next quarter ending 30th September 1945 without payment of any further premium. For the next quarter ending on 30th September 1945 premium should be payable on new policies taken out for the first time or for an amount in excess of the amount for which free cover was provided at the rate of one pice per month for each complete sum of rupees one hundred in respect of goods liable to compulsory insurance.

In the cases of policies of insurance issued under the War Risks (Factories) Insurance Scheme it was notified that the instalment of premium due on 1st September 1945 in respect of such policies which were in force on the 31st August 1945 should not be payable. Premium would, however, be payable on all new policies and supplementary policies taken out in respect of properties becoming insurable on or after 1st September 1945 but before 1st December 1945 at the rate of one-fourth per cent. of the insurable value as laid down in Commerce Department notifications No. 2-W.R.I.(F.) 45 and No. S.R.I.(F.) 45, dated 3rd March 1945.

In a Press Note dated the 30th of August, issued by the Commerce Department, it was stated that in view of the cessation of hostilities with Japan, the Government of India had decided to terminate the War Risks (Factories) Insurance Scheme with effect from 1st September 1945 and the War Risks (Goods) Insurance Scheme from 1st October 1945. An Ordinance repealing the relevant provisions of the War Risks (Factories) Insurance

Ordinance was being issued. The effect of this Ordinance would be that properties which were hitherto insurable under the Factories Insurance Ordinance would no more be insurable with effect from 1st September 1945. A similar Ordinance repealing the relevant provisions of the War Risks (Goods) Insurance Ordinance was published on the 14th September 1945.

In respect of policies of insurance already taken out under the War Risks (Factories) Insurance Scheme, the instalments of premium which would have fallen due on 1st December 1945 were recovered.

Termination of the above Schemes would not however absolve defaulters, who had so far failed to insure their insurable properties as required by the respective ordinances, of their liabilities to the punishments provided therefor under those ordinances. Attention was drawn to section 6 of the General Clauses Act, 1897 which provided that repeal of a legislation would not affect any obligation, liability or penalty already incurred under the law repealed.

To cope with the investigation of cases of default, the provisions of the War Risks (Goods) and (Factories) Insurance Ordinances which empowered Government to authorise the Special Officers and their staff to inspect premises, call for information, etc., would be retained. Those officers were still authorised to continue investigation of cases. Any person carrying on business as seller of goods or a business of fire insurance who failed to comply with the request of the Special Officers or their staff for information relating to value of goods held, etc., etc., without reasonable excuse would still be punishable under the respective ordinances in spite of the termination of the Schemes.

In October 1945 the Associated Chambers of Commerce of India requested the views of this Chamber on a suggestion of the Upper India Chamber that the Association should address the Government of India, protesting against the retention of the Special Officers and their staffs appointed under the provisions of the War Risks (Goods) and (Factories) Insurance Ordinances and recommending that an immediate start should be made in the reduction of all war-time staff rendered surplus to justifiable immediate requirements.

The Committee in reply stated that they did not agree with the views expressed by the Upper India Chamber. Apart from the provision under section 6 of the General Clause, Act, 1897, that repeal of legislation should not affect any obligation, etc., already incurred, the Committee understood there were at the moment cases already under investigation by Government, some of which involved very large sums. They considered therefore it was

essential that at least some of the staff should be retained for the time being.

The Committee were subsequently informed that the Associated Chambers in addressing the Government of India, Department of Commerce, in regard to the termination of the War Risks Insurance Schemes stated that cases involving default of obligations incurred prior to the repeal of the War Risks Insurance Schemes must be followed up and that the staff for the purpose should be retained. But, if the work of the Special Officers had been adequate throughout the currency of the Schemes, these cases of default should be few in relation to the total insurances under the Schemes and the staff required to complete the investigation of them should be correspondingly few in proportion to that maintained when the Schemes were in operation. While it was reasonable, in the view of the Association, that some staff should be kept for the purpose mentioned in Government's Press *Communique*, the Chambers urged that an immediate start should be made in the reduction of whatever war-time staff was surplus to the ascertained justifiable requirements. There would, the Chambers anticipated, be a tendency on the part of Special Officers and their Assistants to seek to prolong their employment unnecessarily. Due care should be taken by Government to guard against this tendency which was likely to be accompanied by unnecessary harrassment of insured parties and by incompetent work.

WAR INJURIES (COMPENSATION INSURANCE) ACT.

Limits of the Port of Bombay.

(*See Reports*, 1942, *page* 156 ; 1943, *page* 55 ; 1944, *page* 45.)

It was recorded in the Chamber's Report for 1944 that the Committee in addressing the Government of India in regard to the War Injuries (Compensation Insurance) Act pointed out that the geographical limits of the Port of Bombay as defined by the Act of 1858 excluded all land not usually covered by water, and they suggested that Government would be well advised to rectify their orders on this subject.

The Government of India on the 31st March 1944 replied that the question of revising the geographical limits of the Port of Bombay was under consideration and as soon as a final decision was arrived at the Chamber would be informed accordingly. No further communication was received by the Chamber from the Government of India on the subject but intimation was received in June 1945 that the Government of India had advised the War Risks Insurance Advisory Committee that it was not considered necessary by Government to extend the limits of the Port.

NATIONAL SERVICE (EUROPEAN BRITISH SUBJECTS) ACT.

Reinstatement of Employees.

In March 1945 the President of the Associated Chambers of Commerce of India requested the views of the Chamber on the five points raised in the following circular which had been issued by the Central Administration of the European Association to the branches of that Association :—

"The Council will be aware that section 8 of the above Act provides that an employer must reinstate an employee in his employment at the termination of his national service. It also provides that the employee shall be reinstated under conditions not less favourable than those which would have applied had his employment not been interrupted by war service. In the course of the war agreements between employers and employees in many concerns will have expired, and the situation which now exists is that in the large majority of cases there will be no method of computing the terms which would apply to an employee had he not been taken into service.

Under section 9 of the Act, a Tribunal is formed having the status of a Court of Law and if an employer refuses to re-employ a demobilised man under section 8, this Tribunal can direct the employer to re-employ or else to pay the employee up to six months' pay in lieu of notice. But if there is disagreement as to the rate of pay that the employee should receive, the Tribunal has no jurisdiction. Presumably an employee might sue the employer in a Court of Law and adduce evidence to prove that his rate of pay, either for the purposes of re-employment or pay in lieu of notice, was less than he would have received if he had not been taken into service. But this would certainly involve him in considerable legal expenses which he might not be able to afford and of course it would still be open to his employers to terminate his services on due notice.

The miximum ultimate protection given by the N. S. Act is six months pay in lieu of notice. The question now raised is merely one of the rate at which the pay should be fixed in the event of disagreement. If the Act could be amended in such a manner as to extend the jurisdiction of the Tribunal to fixing the rate of pay in such cases the employee might be saved the expenses of legal action. On the other hand, the N. S. Tribunal as at present constituted would be unlikely to have the time or the legal knowledge to collect evidence and give judgment on any very large number of cases.

In view of the above, will you please let the President have replies to the following questions ? Your reply should be addressed to him at 38, Western Court, New Delhi, with copy to me.

(1) Do you consider that the scope of the National Service Tribunal should be widened to cover the fixing of the rate of pay at which an employee should be taken back into civil employment in case of disagreement ?

(2) If so, do you consider that it would be necessary to alter the constitution of such a Tribunal which at present consists of (*a*) a Chairman who is a high Government official ; (*b*) a military member not below the rank of Brigadier ; and (*c*) a non-official representative ?

(3) If your answer to No. 1 is in the affirmative, do you consider that the Tribunal should take into account the general treatment of the employee (i.e., he may have received additional pay from his firm *ex gratia* during his service, or other benefits) or should they merely fix the rate of pay considered applicable after collecting evidence ?

(4) Do you consider that the Act should provide for private settlements between employer and employee either before or after demobilisation ?

(The point here is that an employer might dispense with a man's services before his demobilisation on quite generous terms so that the employee might arrange his future accordingly, but this would not debar the employee subsequently from insisting on reinstatement and thereafter further pay in lieu of notice.)

(5) At present there is no judicial appeal from the decision of the N. S. Tribunal in matters of recruitment or re-employment. Presumably there would also be no appeal from the rate of pay fixed as above. If such were permitted it would be the same as referring the dispute to the civil court in the first place. Should appeal to the N. S. Tribunal debar reference to a civil court ?

It is not known whether Government should be prepared to amend the Act in the manner suggested above and it is quite possible that they would refuse to do so on the grounds that the N. S. Tribunals could not possibly be saddled with the extra duties which this would involve, but as the question has been raised, the President feels that he must seek the direction of the Council in the matter. If the community so required, steps would be taken to request the authority to introduce an Ordinance providing for such action. The re-employment clause in the Act is admittedly one-sided but the intention was clearly to ensure that war service should not debar an employee from normal increments in the computing of his rejoining salary. It may be argued that enforcement of this rather vague provision should be made as easy as possible for the employee. On the other hand, it may be felt that the right of any employer to discharge an employee, with due notice, renders any more compulsion than is at present provided, provocative and abortive. The main intention after all, is to secure re-employment."

In reply the Committee stated that they did not consider that the scope of the National Service Tribunal should be widened to cover the fixing of the rate of pay at which the employee should be taken back into civilian employment in case of disagreement. Questions 2, 3 and 4 did not, therefore, arise, and in respect to question 5 the Committee did not consider that there should be any form of judicial appeal from the decision of the National Service Tribunal.

NATIONAL SERVICE (EUROPEAN BRITISH SUBJECTS) ACT.

Lowering of the Upper Age Limit.

In September 1945 the Chamber was advised by the National Service Advisory Committee that it was proposed to reduce the upper age limit for service under the National Service (European British Subjects) Act from 50 to 30 years. Pending an amendment of the Act relating to the conscription of European British subjects in India the National Service Advisory Committees were instructed not to make available for national service men in India over the age of 30 years. Competent Authorities were also authorised to issue exit permits freely to persons over 30 years of age. In February 1946 the orders pertaining to the issue of exit permits were cancelled.

NATIONAL SERVICE (EUROPEAN BRITISH SUBJECTS) ACT.

RELEASE OF PERSONNEL FROM THE SERVICES.

In June 1945, the Committee of the Chamber addressed the Associated Chambers of Commerce of India and pointed out that before the war commenced, and for the greater part of the first twelve months of the war itself, British Europeans in this country were not subject to compulsory national service at a time when their fellows in the United Kingdom were so subject. It might be presumed that in all the circumstances of the time, the differentiation was justified.

In 1940 the state of war created new circumstances and conditions. The National Service Act of that year was welcomed and fully supported.

During, say, the last twelve months, there had been recognition of the need for British commercial rehabilitation in India, and a procedure for the release of selected conscripted men had operated.

In the Committee's views that procedure had been inadequate and might well become invidious by reason of the special idiosyncrasies of Commanding Officers. It could not help but be inadequate if only by reason of the fact that the Government of India, in its British man-power responsibilities, was subsidiary to His Majesty's Government. Consequently, there was an unavoidable tendency for the British commercial community in this country to become a forgotten community, as was evidenced by the reported refusal of the United Kingdom to replace from the United Kingdom officers released in India by the Government of India.

The Committee considered that conditions at the moment were such as to require an immediate reversion to the position as it was before 1940. A formal repeal of the Act was probably impracticable but in their view it was practicable to adopt an administrative policy which automatically approved the release of all men who were applied for by their original employers and who were willing to return to their original employment. They thought this policy should operate irrespective of the personal views of any individual's Commanding Officer.

The Committee thought the time had arrived when British commercial interests in this country must argue their own case and press it strongly and they considered that circumstances at the moment well justified the view that the rehabilitation of British commercial interests in India was a matter of high priority.

They suggested, therefore, that a representation might be made by the Associated Chambers on behalf of their constituent Chambers to

(*a*) The Government of India along the lines of it being inequitable that British firms should have their staff retained compulsorily in national service any longer now that the immediate emergency had passed. Emphasis could be placed on the fact that British European staff in India was relatively small in number, yet highly specialised in their commercial work and of significant value out of proportion to their numbers;

(*b*) the British Trade Commissioner with a request that he would take the matter up with the Board of Trade and the War Office, pointing out that unless relief be given in the matter of releases of staff of British firms, the post-war trade of the United Kingdom would suffer serious damage which it might be difficult to rectify at a later date.

The following is the text of a letter addressed by the National Service Advisory Committee, Bombay, to the Defence Department of the Government of India on the 3rd July 1945 on the subject :—

Arising from its statutory powers under the provisions of the National Service Ordinance of 1940, my Committee has been requested by Government from time to time to advise in regard to the matter of releases from national service. My Committee has been very willing to assist to the best of its ability.

My Committee now desires me to advise you of its views in the light of the end of the war in Europe and the continuation of the war against Japan. The views are based upon its own experience of what would appear to be the policy of Government and upon its knowledge of the present circumstances of those interests which the separate members of the Committee may be said to represent.

Provisions for compulsory national service in the United Kingdom became law in that country before the outbreak of war in 1939. It was not so in British India. The differentiation was probably justified in the circumstances of that time. The total numbers of persons subject to such legislation in British India would not be large. All such persons, by reason of their small total number and the special nature of their employment, would require careful judgment of the national value of their work, whether in or out of uniform. And it was doubtless felt that voluntary recruitment under the provisions of the Registration Ordinance of 1939 would produce all recruitment practicable. For a time this was so. But the changed war situation in the summer of 1940 created new conditions. The relative importance of different forms of employment had to be judged by new standards. Compulsory Service was urged upon Government by the British community. The National Service Ordinance, 1940, became law.

Before the end of the war in Europe, the policy of Government was to consider favourably the release of persons in National Service provided it was of opinion that the employment of such persons in civilian work was of importance to the general war effort. The need for this policy arose from the length of the war, from sickness and casualties in civilian life. The policy did not permit releases for the sole purpose of civilian leave or rehabilitation.

Since the end of the war in Europe, Government has amended its policy and is now willing to consider favourably releases to permit of civilian leave and commercial rehabilitation.

It has been the experience of my Committee that only some 30 per cent. of releases recommended have been agreed to by Government. It is felt that if this percentage or any similar percentage continues, the policy of Government cannot possibly be implemented, and the long-term effect on the British commercial and industrial interests in India will be very severe indeed.

My Committee feels that Government may have an insufficient appreciation of the effect of five years of sickness and casualties upon the efficiency of the already reduced and minimum staffs left in civilian employment during the administration of the National Service Ordinance of 1940.

A disturbing feature of the general position should receive the full consideration of Government. I refer to the adoption by the United Kingdom of some form of limited demobilisation. Indeed, this has been featured in recent B.B.C. broadcasts. New commercial enterprises in British India, whether British enterprises or Indian enterprises have been able to obtain technical staff from the United Kingdom. A special instance of this is featured in recent issues of the public Press. Equity requires that similar consideration be granted to similar civilian interests which may not be of recent growth. And in many cases this can only be done by release of men recruited in India.

My Committee arrives at the general conclusion that the policy of releases from the service of men conscripted under the National Service Ordinance of 1940 should be administered in a liberal manner irrespective of views of individual Commanding Officers. This conclusion is based broadly on the belief that the changed war situation—the introduction of partial demobilisation in the United Kingdom—the relatively small total number of men affected—the special civilian qualifications, experience and value of the men concerned, so far as India is concerned—well justify the reassessment of the value of such men in the all-over military and civilian national effort, and that such reassessment would result in a decision to release to civilian employment all those so recommended by National Service Advisory Committees.

Finally, my Committee would refer to the practical aspect of the problem. The total number of men recruited in India is relatively small, and a liberal policy of release in this country would have favourable results to the all-over British military and economic effort out of all proportion to any possible adverse effect in other directions.

The terms of the letter received the full support of the Committee of the Chamber and the Associated Chambers of Commerce of India were requested to convey their support to Government.

In August 1945 the Associated Chambers informed the constituent Chambers that the following telegram had been addressed to the War and Defence Departments on the same subject :—

" With the imminence of peace Assocham most strongly press for every support to the endeavours of employers in this country to have former employees released from the services and returned to posts which have been guaranteed to be made available to them. Whilst appreciating the desirability of facilitating the absorption into civilian life of men without any vocational training we nevertheless urge that preference should be given in releases to those who have definite jobs to go to thereby relieving the strain on their colleagues who have been working shorthanded under most trying conditions. It is maintained additionally or in consequence of the relief thus afforded that such action would undoubtedly enable this country to play an effective

part in post-war rehabilitation. As of aid in the early return of such men to their former civilian jobs we further urge that they be not drafted to garrison or any occupational work outside India."

Army Instruction No. 533 of 1945.

In July 1945 the Defence Department of the Government of India issued to all National Service Advisory Committees a copy of Army Instruction No. 533, of 1945, governing the release of personnel of the Indian Army for employment in a civil capacity on work of national importance. Particular attention was invited to paragraphs 5 and 8 of the Instruction according to which all applications for releases should be accompanied by a certificate in writing from the individual concerned to the effect that he was willing to be released, and an undertaking from the employer to guarantee certain benefits to the officer whose release had been applied for.

In regard to the employer's undertaking the Instruction laid down that the employer must agree to enter into a contract with the person or persons to be released that, in the event of their continuing in his employment for a period beyond the expiry of six months from their date of release the employer would guarantee the following minimum benefits on their quitting his employment or on being discharged by them :—

(a) a lump sum payment equivalent to two months' pay of the rank held by them on the day preceding their release from Army Service including Indian Army allowance and Corps pay of which they were in receipt on that date.

(b) Cost of journey for themselves and their dependents in the class of accommodation and to the destination to which they would have been entitled had they remained in Army service and been released as Class "A" releases in due course. For this purpose the rank on which this entitlement will be based will be that held on the day prior to release under this Instruction.

(c) In the case of applications for release to Government service, whether under Provincial Governments or other Department of the Government of India, the following further clauses will apply :—

(i) The released person will be entitled at the time of the termination of his appointment to two months' notice or such notice as may be prescribed in the terms and conditions governing the appointments held, whichever would be longer.

(ii) If the released person leaves Government employment of his own accord the benefit guaranteed under paragraph 8(b) must be availed of immediately or in the case of repatriation outside India at the first available opportunity. He must accept the first passage that the Government concerned offers him except where it is impossible for him to do so for reasons beyond his own control such as sickness certified by a qualified Medical Officer of himself or his dependents.

(iii) In the case of a released person being given a permanent appointment under the Provincial or other Departments of the Government of India, the whole of this paragraph will cease to apply and he will be governed by the ordinary rules appertaining to his appointment.

The Committee of the Chamber immediately despatched the following telegram to the Associated Chambers of Commerce :—

" Doubtless a member will have brought to your attention recent Army Instructions 533 dated 20th June regarding undertakings to be made by employers when obtaining releases of staff from Army Service, copy posted. We recommend strongest possible protest to Defence Department and trust you will take urgent action."

The Vice-President of the Chamber also referred the matter to the War Department of the Government of India on behalf of the Associated Chambers, pointing out firstly that the Chambers of Commerce, whose members were affected by this Order would have welcomed the opportunity of discussing the provisions before they were included finally in an Army Order.

Secondly, it was considered that while the Government of India were quite justified in ensuring that officers released temporarily to civilian employment should not suffer by reason of such releases, it was unnecessary to make special provisions other than those contained in the National Service Act, in the case of men who were released to their former employers. In other words, apart from certain ambiguities in the Order, there were no particular objections to the Order if applied only in the case of releases to new employers, but it was felt that in the case of original employers, who released these officers to the Forces in the past, there should be no commitment beyond that which was already included in the National Service Act, and it was merely necessary to rule that such officers, when released to their original employers, should be on terms no less favourable than those provided in the case of their demobilisation.

Thirdly, it would be appreciated that, in certain circumstances, if certain men released temporarily were shortly due for demobilisation under a service/age group, the situation might arise where these officers and their employers might at one and the same time be bound by the provisions of Order No. 533 *and* the relevant portions of the National Service Act.

Other criticisms relating to Order No. 533, were as follows :—

Annexure 'B' :—Clause (1) (*c*).—It was considered that a six months' probationary period was quite unnecessary in the case of officers being released to their former employers, while the minimum period of one year, also mentioned in this sub-clause, was inconsistent with the terms of demobilisation under the National Service Act. It was also pointed out that in the case of temporary releases, there appeared no necessity whatsoever to fix any minimum period of employment for, having regard to the general position in connection with releases, it was assumed that the Military Authorities would be only too glad to secure again the services of the officer if he were not required, at any time, by the employer to whom he had temporarily been released.

Clause (1) (*d*).—If, as assumed, the bonus was in respect, or partly in respect of an officer's service to date with the Military Authorities there appeared no justification in asking the civilian employer to bear the cost of this.

Clause (1) (*f*).—The placing of responsibility for the repatriation expenses of the serviceman and his dependents, in the case of officers released with liability for recall with seven days' notice, appeared unreasonable.

Apart from these detailed objections, the main contention of the Chambers of Commerce, as stated above, was that Army Order No. 533, should not be applied in the case of releases to original employers, who should merely be bound by the terms of the National Service Act as if such serviceman had been demobilised instead of released temporarily.

The National Service Advisory Committee, Bombay, also took the matter up with the Defence Department of the Government of India, who stated that the matter of amending Annexure "B" of the Instruction was still under consideration. In the meantime it was suggested that firms applying for release of personnel from the Armed Forces should be asked :—

either to send a copy of the contract which the person concerned was to enter with the firm

or to send a certificate to the effect that the person concerned would get benefits equivalent to those laid down in Annexure "B" of the said A.I.(I). Annexure "A" was still required signifying the serviceman's willingness to be released.

The above applied to all pending applications made so far or those which might be made henceforth.

The Chamber was subsequently informed that amendments were being carried out which it was hoped would meet the objections raised.

DEFENCE MEDICAL SERVICES.

Resettlement in Civil Life of Demobilised Medical Personnel.

The attention of members was drawn by Circular No. 2013/162A, dated the 22nd August, to a letter which was received from the Surgeon-General with the Government of Bombay, stating that Government had constituted the Bombay Medical Resettlement Committee and that a Medical Employment Bureau had been formed in the Surgeon-General's Office. The Board sought the co-operation of various local bodies including Chambers

of Commerce in providing employment for demobilised medical personnel and they desired that a list of vacancies available under different categories of medical personnel should be prepared. The necessary forms were made available in this office for members who were in a position to offer employment to medical personnel.

RESETTLEMENT AND EMPLOYMENT OF MEMBERS OF THE DEFENCE SERVICES ON DEMOBILISATION.

In September 1945 members were advised of the Government of India's plans for the resettlement and employment of members of the Defence Services on demobilisation. For this purpose there was set up the Directorate of Resettlement, Simla. Government were of the opinion that one of the main fields for employment of ex-service men and women would be with firms in India. The responsibility for bringing together suitable applicants from the services and potential employers was that of the Government of India and was undertaken by the Employment Exchange Organisation of the Labour Department.

In the first instance this organisation dealt only with service personnel after they had been released or discharged from the services. At the Central Employment Exchange in Simla a record was maintained of all service persons who were released or discharged from the services, on a card index system. A similar card index was held at the Regional Employment Exchange in each major Province of all those who were domiciled in its area and who required assistance in obtaining employment. Pending the establishment of Sub-Regional Exchanges, the Recruiting organisation of the Defence Services was working in conjunction with the Regional Employment Exchanges, and certain Recruiting Offices in most of the more important centres had become "Recruiting and Employment Offices." These Recruiting and Employment Offices held duplicates of the card index at the Regional Exchange in respect of those ex-service persons who were in their own area, with the exception of ex-officers, members of the women's services and disabled persons who were dealt with entirely by the Regional Exchanges.

Employers who desired to engage ex-service persons to fill immediate vacancies should, therefore, apply to the nearest Regional Exchange or Recruiting and Employment Office where the Manager or Officer-in-Charge would give every assistance in the selection of suitable ex-service persons who were available for employment.

Government had now agreed to a procedure whereby a serving member of any of H. M. Forces of Indian or British

domicile who desired to take up a higher grade appointment with a civilian firm or business in India, could be brought into touch with employers prior to his/her release or discharge. The Central Employment Exchange would furnish lists of qualified applicants to professional commercial and industrial organisations throughout India.

In so far as Bombay Presidency was concerned a Director of Resettlement and Employment had been appointed. He was MR. D. R. PRADHAN, I.C.S., whose office was located at Hassan Chambers, Parsee Bazaar Street, Fort.

PASSAGES FROM INDIA TO THE UNITED KINGDOM.

(*See Report for* 1944, *page* 48.)

The question of passages to the United Kingdom outside the Key Leave Scheme received the active consideration of the various Chambers of Commerce and European Associations in the country. The matter was discussed at the time of the annual meeting of the Associated Chambers of Commerce held in Calcutta in December 1944 with the object of co-ordinating the views of interested bodies. Later in the year as a result of discussions between the President of the Associated Chambers and the Defence Department of the Government of India, the Association circulated a questionnaire with the object of compiling statistical information which would give some idea of the number of passages likely to be required both under the Key Leave Scheme and ordinary commercial travelling. The questionnaire was circulated to all members of the Chamber and it revealed that up to May 1945 there were 193 registrations for key leave sea passages and 20 key leave air passages and 432 for ordinary commercial passages. Since this information was submitted the number of registrations for the Bombay Area has very considerably increased.

In September the Government of India published a revised schedule of priorities for passages to the United Kingdom. Passages under the Key Leave scheme were included in the schedule as priority " V (b) " and the whole was divided into two groups, viz. Group " A " for those for whom it was expected that accommodation would always be available each month and Group " B " for those who until the shipping situation improved must remain on the waiting list.

Priority I

Government servants on duty and non-officials travelling on Government business or certified by Government to be travelling for a purpose of urgent national interest.

Applications under this category must be supported by a certificate from the Government Department concerned stating the latest months by which the applicant must leave India if the purpose of the journey is to be achieved.

Families cannot travel under this priority unless the head thereof is to be out of India for at least 8 months.

Priority II

Persons on whose behalf it is certified by a Provincial Medical Board that early passage is essential to save life or reason.

Priority III

Persons certified by Government to be travelling in the national interest, or persons travelling to join certified appointments in the United Kingdom.

Applications under this category will state the month in which the applicant must leave India if the purpose of the journey is to be achieved.

Families cannot travel under this priority unless the head thereof is to be out of India for at least 8 months.

Applications must be submitted through the Government Department concerned or the National Service Advisory Committee as the case may be.

Priority IV.

Persons on whose behalf it is certified by a Provincial Medical Board that early passage is essential to save permanent impairment of health.

This priority is divided as under :—

(*a*) Those certified as most urgent.

(*b*) Those certified as very urgent.

(*c*) Those certified as normal.

Priority V.

(*a*) Government servants and their families recruited from the United Kingdom on contract guaranteeing repatriation whose contracts have expired or been terminated and who do not qualify for Priority I or III.

(*b*) Key Leave Officials and Non-officials and their families.

(*c*) Compassionate cases (higher).

(*d*) Retiring civilians (Official or Non-official) and their families who are recommended by Provincial Governments/ National Service Advisory Committees for this priority.

Priority VI.

(*a*) Children between 12 and 16 with their guardians going to the United Kingdom for education and who normally have secured vacancies in educational institutions.

(*b*) Children between 8 and 12 with their guardians going to the United Kingdom for education.

(*c*) Adults going to the United Kingdom for higher education. Applications must be supported by proof of admission to a University, Technical Institution, etc.

(*d*) Children between 6 and 8 with their guardians going to the United Kingdom for education.

(*e*) Compassionate cases who do not qualify for V-(*c*).

Priority VII.

Retiring civilians (Official or Non-official) and their families who do no qualify for Priority V-(*d*).

Priority VIII.

Those applicants who do not qualify for a higher priority.

LEAVE EX INDIA WITH GUARANTEED RETURN PASSAGE.

(*See Chamber's Report for* 1944, *page* 46.)

It was recorded in the Chamber's Report for 1944 that the National Service Advisory Committee, Bombay, were dissatisfied with Bombay's quota of 4 per sailing under the Key Leave Scheme and that the Committee had been constantly pressing for an increase in the number of priority passages allotted to this area. From April 1945 the quota was increased to 9 and in addition a short air/sea scheme was introduced covering the months of May and June. Under this scheme which provided roughly two months stay in the United Kingdom Bombay's quota was 6. The scheme was later converted to a long air scheme providing four months stay in the United Kingdom with the quota of 15 per month commencing from June. Families, however, could not take advantage of the air scheme.

Some improvement was also intended in sea passages and in June the quota was stepped up to 19, but the termination of hostilities in Europe caused a set back owing to the heavy demands by the Military Authorities on shipping for purposes of repatriation and demobilisation. With a view to improving matters a conference was convened in New Delhi on Friday, 20th July 1945, under the Chairmanship of the Hon'ble Sir Feroze Khan

Noon, Defence Member of the Government of India, to discuss the working of the priority passage arrangements, and to consider what steps, if any, could be taken for accelerating civilian passages to the United Kingdom in future. Apart from representatives of the Government Departments concerned, and of the Army and the Ministry of War Transport, civilian interests were represented by delegates from the Associated Chambers of Commerce of India, the European Association and the National Service Advisory Committees. Representatives of the National Christian Council of India, Burma and Ceylon also attended. The Associated Chambers of Commerce of India were represented by Mr. A. W. Percy, Vice-President of the Bombay Chamber and the National Service Advisory Committee, Bombay by Mr. C. H. Courthope-Munroe, Secretary of the Chamber and Honorary Secretary of the Advisory Committee.

The following are the important points which emerged :—

The Government of India undertook to issue each month in future a Press note giving details, according to each category including key leave, of the number of passengers lifted in the preceding month, the number of new applicants registered, and the number of passengers still on the waiting list.

It was agreed that in future applicants would not be restricted to applying for priorities only if they intended to sail within three months of the date of application. They would be encouraged to signify their desired time of departure at any future date.

Strong representations were made on behalf of sick persons who having been allotted categories II and IV have not been accepted by captains of ships, who under the law are the final authority in this respect, in steamers sailing to the United Kingdom. Assistance was offered by the Ministry of War Transport and the military authorities and the Government of India also promised to help.

Figures were produced indicating that a very appreciable improvement had taken place in July regarding the number of civilians to whom berths had been allotted. A warning was sounded however, that owing to circumstances outside the control of the Government of India, it was unlikely that the same progress regarding passages to the U.K. could be maintained during August and September. Thereafter, however, should no unforeseen circumstances develop, it was anticipated that sailings likely to be available in the concluding months of the year would, to a very large degree, ease the situation. Efforts would continue to be made to secure additional shipping to clear the existing congestion.

The meeting was informed that Government were giving their attention to the requirements of rail travel across India in connection with civilian embarkations.

It was agreed that homeward-bound commercial ships would in future be exclusively reserved for civilians subject to military exigencies.

The military authorities undertook to scrutinize closely in future all applications for passages for nurses accompanying military families and to ensure that accommodation was provided only for *bona fide* nurses of non-Asiatic domicile.

It was pointed out that the Priority Passage Department is now supplying to the Deputy Representatives of the Ministry of War Transport in ports other than Bombay with regional lists of civilian passengers, so that, in the event of last minute civilian cancellations the local shipping or travel agencies can fill such vacancies with the next names on the list.

It was explained that in cases in which there has been delay in allotting a priority and the delay was not due to the fault of the applicant, a higher position within the priority is given on further application, in accordance with the date of the original application.

On the discussion of the list of priority categories it was stated by Government that category VI (Education) is now subdivided as follows :—

(*a*) Children between 12 and 16 going to the U.K. for education and who normally have secured vacancies in educational institutions.

(*b*) Children between 8 to 12 going to the U.K. for education.

(*c*) Adults going to the U.K. for higher education. Applications must be supported by proof of admission to a University Technical Institution, etc.

(*d*) Children between 6 and 8 going to the U.K. for education.

The National Service Advisory Committee's representatives took the opportunity of urging that adequate releases from the Forces were essential to the effective operation of the Key Leave Scheme. Government had lately authorized National Service Advisory Committees to recommend releases to enable firms to operate leave schemes, but the results to date were discouragingly meagre. This was regarded by the non-official civilian community as a very serious matter, and the Government of India were asked to continue to do everything possible to enable releases to be made to the extent required.

After the representatives of the National Christian Council had expressed their views on the question of passages for missionaries wishing to proceed on furlough the meeting expressed general satisfaction with the existing priority list and desired no change.

It was suggested by the Hon'ble the Defence Member that, unless the necessity disappeared in the meantime, it was desirable that further meetings between Government and representatives of the civilian community should take place at periodical intervals. It was tentatively suggested that the next meeting to discuss the matter would be held in New Delhi at some date in October.

The sudden termination of hostilities against Japan again limited passages under the Key Leave Scheme. A press note dated 25th October 1945, revealed that the Secretary of State for India had informed the Government of India that civilian movement between India and the United Kingdom must be reduced to a minimum during the remaining months of 1945 owing to the extremely heavy service requirements for released prisoners of war and personnel due for repatriation and demobilisation.

In the meantime the Defence Department indicated their willingness to convene a second conference in New Delhi early in the new year to review the passage position.

DISPOSAL OF SALVAGE.

(*See Report* 1944, *page* 61.)

It was recorded in the Chamber's Report for 1944 that in addressing the Government of India, Department of Supply, in connection with the Salvage Disposals Board which Government had decided to constitute under the Hon'ble Member for Supply, the Committee urged the advisability of including amongst the members of this Board representatives of non-official organisations.

The Department of Supply pointed out, however, that the Disposals Board was an official Committee of Government and the question of appointment of non-officials to the Board did not arise. As regards the association of non-official opinion in formulating and implementing Government's policy in regard to this question, Government stated that it was proposed to set up a Committee of representatives of Indian States and non-officials to advise Government on general policy questions. In addition, it was the intention of Government to associate the representatives of particular industries in the disposal of important categories of surplus stores, as had already been done, e.g., in the case of Regional and Central Advisory Committees set up

in connection with the disposal of surplus motor vehicles. In view of this, Government expressed the hope that the Chamber would be satisfied that adequate opportunities would be afforded for the expression of the opinions of the commercial community in general.

The Committee noted with satisfaction that opportunities were to be given to non-officials to express their views.

RESTRICTIONS ON PETROL CONSUMPTION.

Early in August 1945, the Western India Automobile Association enquired whether this Chamber would be prepared to support a representation which they had submitted to the Controller of Road Transport, War Transport Department of the Government of India, asking for the withdrawal of restrictions on petrol consumption. They based their request on the fact that war had terminated in Europe and that this would lead to some improvement in the shipping position whereby the import of larger quantities of petrol should present less difficulty. They pointed out that the doubling of the basic ration while welcome, brought the basic ration only to two-thirds of that which prevailed in 1941 and added that if Government was unable to cancel all the restrictions it should at least restore the 1941 basic ration.

The Committee did not feel that they could give their unqualified support to the representation for the following reasons. As far as was known, the tyre position was still critical and the position as regards petrol was still difficult. Military consumption in the west had declined to a large extent but the liberated countries would require large quantities for essential services and a minimum for civil consumption. In the Committee's opinion, any substantial improvement would have to await the rehabilitation of the refineries in the East Indies and Burma which would take at least one year. Furthermore, it was to be borne in mind that other petroleum products were needed urgently in India, and in the country's interest these would fall in the following order of priority :—

1. Diesel oil to produce more food.
2. Furnace oil to produce more textiles. Coal being still in extremely short supply.
3. Kerosene for village lighting.
4. Petrol for extra transport schemes.
5. Petrol for pleasure motoring.

The Committee added that they felt sure that the Government of India were only too anxious to get more petrol, particularly as the revenue received therefrom was an important item in the budget.

Whilst the Committee were unable to support this representation in its entirety they addressed the Controller of Road Transport suggesting the advisability of increasing the supplementary ration of petrol for cars used in the national interest. The doubling of the basic ration would provide relief only to private motor car owners, presumably for pleasure purposes, and it was, therefore, more essential that the supplementary ration should be increased when possible.

The Government of India in reply stated that they fully realized the great inconvenience suffered by private motor users from the restrictions which had been placed on the supply of petrol, and would be only too ready to remove these restrictions as soon as conditions permitted. It was regretted, however, that on the information available at the moment, it was not possible to hold out hope of any material improvement in the very near future. It was added that the Chamber might rest assured that as soon as the position rendered it possible, Government would increase the rations or remove the restrictions.

ABOLITION OF CENSORSHIP AND OTHER WAR-TIME RESTRICTIONS.

In view of the cessation of hostilities, the Committee in August 1945 brought to the attention of the Defence Department of the Government of India the urgent need of amending as soon as possible, in the interests both of commerce and the public, Government's instructions on the following points :—

1. Removal of restrictions on the use of telegraphic addresses and codes
2. Abolition of censorship.
3. Monitoring of telephones.
4. Use of local maps by the public.

By a press notice published on the 7th September 1945, the Government of India notified that they had abolished the censorship of telegrams to addressees in the United Kingdom, the United States of America and Empire Countries other than those recently in occupation by the enemy. They also permitted the use of private and commercial codes and telegraphic addresses.

SHIPPING TELEGRAMS.

Assisted Messages.

(*See Report* 1942, *page* 39.)

In view of the fact that censorship ceased between India, the United States of America, the United Kingdom and Empire Countries other than those recently in occupation by the enemy,

the system of assisted messages containing the names of steamers which was introduced in 1942, was discontinued in September 1945.

DAYLIGHT SAVING IN INDIA.

(*See Reports*, 1941, *page* 45; 1942, *page* 102; 1943, *page* 59.)

In August 1945 the Karachi Chamber asked the Bengal Chamber for its views on the question of a return to the normal Indian Standard Time fixed at 5½ hours ahead of G.M.T. The Bengal Chamber was opposed to any suggestion of changes in the timings observed in Calcutta as, apart from the fact that the public had got used to the new timing and that no inconvenience but benefit had resulted, there were the important considerations of industrial economy. These considerations particularly affected electricity and coal consumption and were summarised as follows :—

(*a*) First, by prolonging the overlap of industrial and non-industrial load (i.e., the period during which office, domestic and street lighting would be turned on in the evening before the factories had closed down), it would make an inroad upon the already dangerously small margin of ability to carry further load. That margin would not materially increase until generating plant now under manufacture was placed in commission : which would not happen until 1948-49.

(*b*) Secondly, by prolonging the clock period between sunset and midnight, it would increase consumption of electricity in houses, shops and public places, thereby increasing consumption of coal ; a commodity which was in dangerously short supply.

The Bengal Chamber recalled that when the scheme was first mooted, different timings were opposed by the Military and it was at their instance that the one uniform timing was adopted in India. The Chamber Committee agreed that the inconvenience so caused in certain provinces was, with the cessation of hostilities, no longer necessary ; and the attitude noted above was not to be taken as opposition to the proposal to revert to the old standard time, for they sympathised with the inconvenience which Karachi interests had suffered. The Chamber Committee advocated that there should be two timings in India—one for the West, one for the East—and they were agreed that the existing timings were suitable for the East. They suggested that the Karachi Chamber might get in touch with Chambers in Western India so that they might agree between them on a suitable " Western Zone Time " ; and if approval to the proposal was forthcoming, then suitable representations to Government might well be framed by the Associated Chambers of Commerce.

The Bengal Chamber added that the difference in timings should not be so mathematically calculated that it would be reduced to the finer point of minutes but should be preserved on an hourly difference basis.

The Karachi Chamber requested the views of this Chamber on the question.

The Committee in reply stated that opinions in this matter varied considerably. On the balance of the pros and cons they were generally inclined to the view that reversion to normal Indian Standard Time was perhaps preferable.

They also considered that the suggestion made by the Bengal Chamber of Commerce that there should be two timings in India, one for the Eastern and one for the Western zone, was a good one and should be followed up. If, however, uniformity in time throughout India was required, a reduction of half an hour on one side and an increase of half an hour on the other side might be a possible compromise.

The Government of India decided to revert to the old Indian standard time from 2 a.m. on 15th October 1945. In a press *communique* making the announcement the Government of India stated that the then existing Indian standard time which was 6½ hours ahead of Greenwich mean time, was introduced with effect from the midnight of 31st August to 1st September 1942. The time was advanced by one hour primarily for operational reasons. With the cessation of hostilities the Government of India had decided to revert to the old Indian standard time, which was 5½ hours ahead of Greenwich mean time.

INJURY OR DAMAGE CAUSED BY ARMY DRIVERS WHEN ON DUTY.

(*See Reports*, 1941, *page* 46; 1942, *page* 35; 1944, *page* 63.)

It was recorded in the Chamber's Report for 1944, page 64, that the following resolution was moved by the Chamber and adopted unanimously at the annual meeting of the Associated Chambers of Commerce of India held in Calcutta on the 14th December 1944 :—

"In view of the fact that accidents are still being caused by negligent and improper driving by Service drivers in the course of their duty and the failure of the Military Authorities to ensure that adequate compensation is granted this Association again urges upon the Government of India the necessity for the immediate introduction of measures which will enable the public to obtain adequate compensation for injuries or damage suffered.

This Association is of the opinion that Government should forthwith declare that they will provide the funds required to satisfy any judgment of a civil court obtained against the driver of a Government vehicle, if on duty at the time of the accident.

The Association is further of the opinion that Courts of Enquiry set up to investigate accidents in which Service and civilian vehicles and/or persons are concerned, should invariably include one civilian, preferably non-official, either as a member thereof, or if this is not possible under military law, then as an observer, and further that an injured person, in any case, be entitled to be represented at such Courts of Enquiry."

The terms of the resolution were conveyed to the War Department of the Government of India, who in reply stated that the Claims Commission (India) had been formed with effect from 1st January 1945. The functions of the Commission were, *inter alia*, to deal with claims in India against the Armed Forces or the personnel thereof or the Central Government arising out of traffic accidents in which personal injury or loss of life had resulted in circumstances for which the Armed Forces or the Central Government on their behalf accepted responsibility. The Commission had been given the necessary financial powers to implement these functions.

The Government of India considered that with the setting up of the Claims Commission, the interests of the public should be adequately safeguarded.

In connection with the resolution, the Headquarters, Southern Army, informed the Chamber that a Court of Enquiry was held to investigate the circumstances of every military transport accident case which was reported. The court examined the evidence of both civil and military witnesses which were involved. In regard to compensation, it had been ruled that the court would record their opinion as to the cause of the accident and would accordingly make their recommendation on any claim arising out of the accident. In cases where the military driver was to blame, compensation was paid after the claim had been verified by the civil police.

The Committee in reply pointed out that it was fully realised that the problem had been tackled by the military authorities in theory, but in practice the decisions were sometimes arrived at arbitrarily and the amounts awarded as compensation were inadequate.

The Bombay Accident Insurance Association was requested to keep the Chamber advised at the end of each quarter whether the Claims Commission was functioning to the satisfaction of the Association.

In May 1945, in replying to a reference from the Associated Chambers the Committee stated that they supported a suggestion of the Madras Chamber that the Association should approach the Government of India to the effect that with regard to the old claims where it was apparent that gross injustice had been done permission should be granted to reopen them and have them tried by the Claims Commission.

VICTORY DAY CELEBRATIONS.

On the termination of hostilities in Europe the Government of Bombay declared Wednesday, 9th, Thursday, 10th and Monday, 14th May 1945, to be holidays under the Negotiable Instruments Act on account of Victory Celebrations. Of the above days Wednesday, 9th May, was declared by the Committee of the Chamber to be a holiday under Charter Parties.

The Government of Bombay also declared Thursday, 16th and Friday, 17th of August and Monday, 24th December 1945, to be holidays under the Negotiable Instruments Act in celebration of the Allied Victory over Japan. These days were also treated by the Bombay Port Trust as closed days in the Docks and the Committee of the Chamber accordingly decided that all three days should be declared holidays under Charter Parties.

LAW AND LEGISLATION.

BANKING COMPANIES BILL.

(*See Reports*, 1929, *Volume I, page* 60 ; 1930, *Volume I, page* 17 ; 1940, *page* 47 ; 1941, *page* 48 ; 1943, *page* 62 ; 1944, *pages* 118 *and* 119.)

It was recorded in the Chamber's Report for 1944 that the Banking Companies Bill had been referred to a special Sub-Committee of the Chamber for consideration and report. The Sub-Committee drafted a letter to the Government of India, Finance Department, which was adopted by the General Committee and despatched on the 5th February 1945.

The following is the text of the letter :—

In the statement of objects and reasons appended to the Bill it is said that the provisions of the law relating to banking companies at present are contained in Part XA of the Indian Companies Act, 1913. No reference is made to sections 42 and 44 of the Reserve Bank of India Act, 1934, by means of which considerable powers of control over scheduled banks and co-operative banks are bestowed on the Governor General in Council and the Reserve Bank.

It is also stated that the need for the enactment of a separate and more detailed Act has now become imperative. This is far from conclusively proved by the few short observations given in the statement of objects and reasons.

It will be remembered that when the Reserve Bank's proposals for an Indian Bank Act were circulated early in 1940 for an expression of views, so far as banking and commercial interests were concerned, the proposals received little or no support and they were thereafter dropped.

It is not denied that in recent years there has been a rapid growth of banking resources and in the number of banks and branches. It is denied, however, that the extensive power of control in the realm of banking which the Bill seeks to give to the Central Government and the Reserve Bank is in the real interests of the country's credit structure.

One outstanding example of the dangers inherent in any State-controlled banking system may be referred to. A very large number of banking failures occurred in the United States of America in the years following the slump in 1929 ; in the United Kingdom where trade depression became equally acute in 1930 and afterwards, no bank closed its door. In the United States legislative control of banking has been in force for many years, in the United Kingdom there was and is little or no restrictive banking legislation.

It is felt that in India, particularly as regards the scheduled banks, protection for depositors, beyond that provided by existing legislation, is not necessary.

It is claimed that one of the objects of the Bill is to protect the depositor as opposed to the shareholder, the latter's interests being already looked after by the Companies Act. It may well be that the legislation if enacted will become a source of danger to the depositor instead of one of protection, inasmuch as it may give him a false sense of security. The effective control of any credit-structure, in our view, is expressed through a knowledge of the kind of advance given by banks. Ineffective control is more dangerous than no control. The Bill will not prevent the practice of unsound principles nor the conducting of speculative operations and undesirable activities by a bank's directorate or management.

If a bank is to be called a bank, let it be a scheduled bank and let no other form of commercial enterprise be called a bank unless it is a scheduled bank. If the Reserve Bank should consider itself incapable of general supervision under its existing powers concerning scheduled banks—that is to say, if the Reserve Bank should consider its position to become unwieldy in this regard my Committee do not see that it can logically consider itself capable of arriving at any different results under specific detailed legislation.

It may be, however, that opposition to the Bill will not succeed in preventing its introduction and my Committee offer the following comments and suggestions in relation to the detailed clauses of the Bill.

Clause 4 (2).—It is recognised that a saving clause of this nature is necessary, but the fact that such a provision is required is also indicative of the general dangers inherent in this particular form of legislation.

The words " in like manner " should be deleted. Any form of restrictive provision affecting the Reserve Bank's capacity to take immediate action must be omitted.

Clause 5 (*b*).—The definition of " banking" as the accepting of deposits repayable on demand will affect many forms of commercial activity throughout the country. My Committee look upon it as an unsatisfactory form of definition.

Clause 8.—My Committee fully appreciate the intention Government has in mind but nevertheless consider the proposed provisions far too sweeping, far too general and impracticable. As illustrations, foreign currency, also bullion and specie, are goods, and exchange business is a form of bartering of goods. What for example, is to be considered " indirectly " buying goods? Banks are frequently called upon to dispose of goods which are in their control as collecting agents. They have not acquired the goods in satisfaction of a claim, are they to be precluded from selling? The legal difficulty of defining the word " goods " is all-embracing, and the substitution of another word is almost impossible.

If the prohibition of trading is considered essential, the clause should be so redrafted as to permit of the disposal of goods which come under a bank's control in the course of what has been for many years normal bankingbusiness.

Also many banks occupy only a portion of premises belonging to them and let other portions of these premises. This must continue to be permissible.

It is their view that this clause should be eliminated.

Clause 9.—The proviso should enable the Reserve Bank to extend the period not only once nor for limited periods, but for such further period as the Reserve Bank may think fit.

Secondly, a bank must be able to use its own assets which come into the bank's ownership in ordinary course of its business (for example, a building forfeited under a mortgage) without having to dispose of them.

Clause 11 (1).—This repeats the capital structure detailed in section 7 (1) of the previous Draft Bill with the addition of sub-clause (ii) (*c*) which stipulates for an additional Rs. 10,000 paid-up capital and reserve for each place of business outside those otherwise specified.

The previous Draft Bill provided that no banking company should be required to have a minimum *paid-up capital* of more than Rs. 20 lakhs. The present Bill amends this minimum to *paid-up capital and reserve* of Rs. 20 lakhs.

The minimum permissible capital and reserve of Rs. 1 lakh is retained. This figure is much too low. To allow a bank to commence business with such small resources, a considerable proportion of which is now to be immobilised by the provisions of the proposed Act, is not compatible with the avowed object of protecting the depositor. A much higher minimum figure should be set.

Clause 14.—It is not understood why, in the matter of cash reserve there is differentiation between scheduled banks and non-scheduled banks.

Clause 15.—My Committee agree with the principle that banks should not ordinarily hold the shares of companies for investment purposes but the general terms of the clause are far too sweeping and would prevent a perfectly sound bank protecting itself and its depositors by the acquisition of additional security in the form of shares, which is prohibited under this clause.

Clause 16.—The check prescribed on advances to directors and their concerns, whilst possibly desirable in certain hypothetical circumstances, goes too far in its suggested mandatory form and affects sound business and will interfere with sound overdraft arrangements of long standing.

A reference has been made to the Reserve Bank as to whether this prohibition against unsecured loans or advances to any firm or company in which a director of the bank has an interest includes the negotiation or discounting by a bank of "clean bills" drawn on the firm's or company's London house. An affirmative reply has been received from the Reserve Bank and this is accompanied by a suggestion that a modification of the provisions of this clause be asked for to permit of the purchase of such "house paper" by banks. This is a matter of considerable importance both to banks and merchants and this form of business should be exempted from the operation of the clause.

Clause 18.—It is probable that no prudent bank in normal circumstances maintains assets in the form of cash, gold or unencumbered approved securities amounting to less than 25 per cent. of its deposits. My Committee consider, however, that in order that banks can ensure such a day-to-day position, they must maintain a much higher percentage which might well result in the immobilisation of over 35 per cent. of their deposits. It is the express desire of Government that the maximum financial resources of the country should be available for the development of trade and commerce of India. A permanent immobilisation of deposits to this extent will undoubtedly make it difficult for small banks to operate and will be a serious consideration for even the larger banks. They suggest that the percentage laid down in the Bill should be reduced to 15 per cent., which with the additional working margin referred to above, will approximate the suggested figure of 25 per cent.

With reference to sub-section (3) of this clause we are of opinion that the weekly return called for does not allow sufficient time for a bank with

branches established in various towns throughout India and recommend that " two working days " should be altered to read " seven working days."

Clause 19.—As pointed out in the Notes on Clauses, the purpose of this clause is to deal solely with the internal position in India, that is to say, the position of banks in Indian States as opposed to banks in British India. In their attempt to correct undesirable practices, Government appear to have overlooked the serious embarrassment which may result to the financing of the foreign trade of the country if the proposed clause is not amended.

If the clause is insisted upon my Committee's suggestion is that the Reserve Bank of India should have the power of exemption or modification of the percentage in approved cases.

Clause 20 (1).—In view of the returns required under other provisions of the proposed Bill, my Committee consider the requirements of this sub-clause as unduly onerous and likely to cause unnecessary work.

Clause 21.—The object of this clause introduces a principle which my Committee entirely oppose.

Clause 22.—This clause requires a bank incorporated outside British India to prepare a balance-sheet and profit and loss account " in respect of all business transacted through its branches in British India " as apart from the general balance sheet and profit and loss account of the bank. Section 23 calls for such balance sheet of British Indian business to be audited.

A bank doing business in British India is to be required to have assets in British India at the end of each year to the extent of 75 per cent. of its liabilities therein, and to furnish a return of such assets and liabilities. This, coupled with the daily, weekly, and monthly returns which will be required and the display of the audited balance sheet of the bank as a whole, should be sufficient.

The avowed object of the Bill is to safeguard the interests of the depositor. A balance-sheet of transactions in British India might be misleading to such a depositor in a bank with world-wide ramifications and connections. The strength of a bank is indicated by its balance sheet as a whole, and the safety of a depositor's money is bound up with the total resources of the institution, and not with its resources and transactions in any particular territory. The filing of the complete balance sheet of a bank incorporated outside British India should be sufficient.

However, the object of this clause is fully realised and Government would achieve their object by the use of Form G (section 136) of the Indian Companies Act.

Clause 22 (1).—The use of the expression " calendar year " is impracticable and it should be redrafted so that the year is laid down under this clause as being the company's or Branch's accounting year.

It is undesirable that branches should be forced to close their accounts on 31st December, and further in the case of certain banks incorporated outside British India the Indian Branch's accounts are closed one or two months prior to the end of the bank's actual financial year to allow sufficient time for such accounts to be prepared and despatched to their head offices for inclusion in the bank's main balance sheet.

Clause 22 (3).—The provisions of the Indian Companies Act should be made applicable with the exception of Form F and Regulation 107 for which Forms A and B of the Schedule should be substituted in the case of a banking company.

Clause 24.—My Committee consider that the Reserve Bank should have the power to extend the period of three months to any period that may be necessary, more especially owing to war-time conditions and difficulties of transport.

Clause 28.—My Committee agree with the principle laid down for inspection, but feel that the procedure is too dilatory and would defeat its own object.

Clause 29.—The last line reading "Reserve Bank *shall* apply" should be amended to read "may apply."

Clause 31 (2).—My Committee consider that a banking company shall not be deemed to be unable to pay its debts except under a certificate to that effect by the Reserve Bank.

Form A of the Schedule—Property and Assets—(Investments (iv)—Immovable Properties.—These come under two headings—(*a*) Investments and (*b*) Premises. My Committee do not consider it practical to apportion immovable properties into these two categories. Properties used as bank premises usually contain a portion which is let out to tenants for purposes of income. Therefore such portions are "investments." To divide up the values of such properties into two portions, namely, that used for business purposes and that let out for investment income, would be impracticable. Banks do not ordinarily acquire properties as investments but for the purpose of their business or unwillingly in full or part payment of debts. My Committee suggest that in order to obviate the difficulty of dividing up the value of buildings used partly for business and partly let out to tenants such buildings be included under "premises." This could be done by the addition to footnote (*e*) of the schedule of the words "bank premises wholly or partly occupied for the purpose of the business are to be included under 'premises less depreciation.'"

Loans, Advances, Cash Credits and Overdrafts — Particulars — Bad Debts.—There is no reason why the wording of the existing Form F should be altered, viz .," Book debts, other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors." The difference is that the new wording requires the "general" bad debt provision, not against any particular debts, to be deducted, whereas there is nowhere under "particulars" where this reserve can be deducted. Thus the amount of the reserve can easily be calculated, which is what all the alterations to Form F hitherto have been designed to avoid.

(*vi*) *and* (*vii*)—*Loans to Directors and Managers, also to Companies and Firms in which Directors are interested.*—It is presumed that the information required is the *highest* total indebtedness on any one day during the year and not the total loans or advances granted throughout the year. Advances are usually made by way of overdraft on current account and to furnish the total of such advances made on every day of the year would be very misleading. Although the actual indebtendness at any one time might never be high, because of frequent deposits and withdrawals the total could be considerable and would present a false picture to the public. A little thought regarding the difficulties in arriving at a figure showing the highest total on any one day in the case of a bank with numerous branches and Directores with wide interests will show how onerous this requirement will become.

My Committee appreciate the purpose Government have in mind but are confident that it cannot in practice be implemented without the application of accountancy out of all proportion to any possible results.

Form B—Profit and Loss Account.—My Committee suggest that on the credit side under the heading "Interest, etc.," the bracketed portion should be amended to read (less provision made during the year for bad and doubtful debts).

Under the heading "Contingencies, etc.," my Committee suggest instead the phrase "Transfer from contingency accounts."

Experience has shown that it may be expected that in certain quarters the provisions of these forms will be interpreted with perversity rather than common sense, and all possible ambiguities should be avoided.

Subsequently the following explanatory comments on certain clauses of the Bill were also forwarded to the European Group in the Central Legislature as the Committee considered they might be of assistance when the Bill was in Select Committee :—

With reference to the Committee's recent report on the above Bill, I am instructed to forward you the following explanatory comments which may be of assistance when the Bill is in the Select Committee stage:—

Clause 5 (*b*).—The business of banking is defined in law as the receipt of money on current or deposit account, and the payment and collection of cheques drawn or paid in by a customer. The definition contained in the original Draft Bill was, therefore, much more accurate than the present proposed one. The definition now inserted coupled with clause 7 will preclude non-banking companies from accepting deposits unless repayable otherwise than on demand. This difficulty might be got over by suggesting the amendment of the definition by adding the words "by cheque" after the word "repayable" and if possible altering the word "deposits" to "monies" because not all deposits are repayable by cheque.

Clause 7.—Certain banks incorporated abroad do not use as part of their names the word "bank," "banker" or "banking." Unless the banks can comply with clause 7 by altering their name in the country of incorporation, difficulties are bound to arise and if clause 7 is to remain in the Act there should be a proviso giving Government or the Reserve Bank power to exempt by name old-established banks in British India from the provisions of this clause.

Clause 16.—With reference to the expression "house paper" the definition is as follows: "Clean finance bills drawn at a usance by a firm in India on its London house and discountable on the London market."

Clause 31 (2).—It is presumed that the words "lawful demand" will exclude a demand for payment at a branch where the liability does not arise, e.g., where the account is not maintained.

It is also suggested that the word "lawful" should be followed by the words "and ascertained." There must be an ascertained sum due at the date of demand. For instance, a demand for damages can be a lawful demand but the amount will ordinarily be a matter of dispute.

Form A of the Schedule—Property and Assets — (vi) and (vii)—Loans to Directors and Managers, also to Companies and Firms in which Directors are interested.—My Committee approve of the evident object of items (vi) and (vii) which is to prevent the Directors from taking loans during the year but avoiding disclosure by repaying them before the balance sheet date. The effect of the provisions, however, is obscure. If the meaning is that the maximum amount advanced on one day on all accounts under these respective heads is to be disclosed, this is impracticable in the case of a bank with numerous branches and numerous accounts concerned. It would be necessary for each branch—and there may be 50 branches—to prepare a list of all accounts under (vi) for each day in the year and another list for all accounts under (vii). The daily totals of these branch lists and the head office lists would have to be amalgamated, in order to find the days on which the maximum balances were, respectively, shown. A few years ago, a prominent Bombay business man was reported to be on the Boards of nearly 100 companies, and the amount of work involved in compiling such lists can be imagined. If, on the other hand, the total of the maximum balances on each account is required, though such maximum balances will not be on the same day, the resulting total may be out of all proportion to the amount of the total advances to all customers of the bank, as well as to the total due by Directors, etc., on any one day.

It is suggested in the case of advances, which fall under either (vi) or (vii), and which are against the personal security alone of one or more debtors, the Reserve Bank be notified monthly of the terms and limit, and that the Reserve Bank should have power to compel the bank to demand repayment of any such advances, and if necessary, to take legal steps for recovery.

It is suggested that if this is adopted, there is no need for items (vi) and (vii), as the proposed safeguard would be effective, whereas the disclosure of totals, with no indication of the names of the directors, etc., or the circumstances of the advance, would not.

My Committee consider that there is no need for any disclosure of secured advances, where the security is other than personal security. *Ex hypothesi* the bank is covered.

It must be borne in mind that bank directors are often selected for their ability to place profitable business with the bank, and if the conditions of advancing money are such that no Director would take an advance, the bank would be deprived either of the business or of the services of the Director.

DECIMALIZATION OF THE COINAGE.

(*See Reports*, 1906, *pages* 116 *and* 487 ; 1908, *page* 110 ; 1910, *page* 99 ; 1912, *pages* 118 *and* 646 ; 1913, *pages* 45 *and* 300 ; 1914, *pages* 59 *and* 398 ; 1915, *pages* 68 *and* 242 ; 1920, *Vol. I, page* 20 ; 1922, *Vol. I, page* 306 ; 1924, *Vol. I, page* 342 ; 1926, *page* 352.)

Towards the end of April 1945 the Finance Department of the Government of India informed the Chamber that it had been suggested to Government that the opportunity afforded by the reminting of the coinage which might be necessary after the war should be taken advantage of to decimalize the coinage system of the country. It was pointed out that the decimal system of coinage had gradually displaced all other forms in most countries in the world, India, Great Britain and certain Empire countries being the chief exceptions, and it was suggested that its advantages such as simplification of accounting and facility of calculation were such as to render desirable its adoption in India.

The proposal was that like the Ceylon rupee, the Indian rupee should be divided not into 192 pies but into 100 cents. The present rupee, half-rupee and quarter-rupee coins would remain but the lower denominations would be replaced by coins of the value of 10, 5, 2 and 1 cents with possibly a ½-cent coin. While the present series of coins of low denominations were being withdrawn and during the period of transition the two sets of coin would circulate side by side, prices being expressed either in one or the other or in both.

As the process of change must necessarily be difficult, the Government of India did not intend to take any step in this direction unless they were confident of public support and they requested the views of the Chamber on the proposal.

The Committee informed the Government of India that they fully supported the proposal to decimalize the coinage system of the country. They considered that the proposal would also receive the support of the banks in view of the probability of a more general introduction of mechanised book-keeping after the war.

FEDERAL COURT.

PROPOSED ENLARGEMENT OF JURISDICTION.

(*See Report* 1941, *page* 50.)

Two proposals for the enlargement of the jurisdiction of the Federal Court have been under the consideration of the Government of India and the Secretary of State for some considerable time.

The first proposal arose from the scheme adopted in sections 205 and 206 of the Constitution Act. Under section 205 an appeal lay to the Federal Court, and no direct appeal lay to His Majesty in Council, from a judgment, decree or final order of a High Court in British India if the High Court certified that the case involved a substantial question of law as to the interpretation of the Act or any Order in Council made thereunder. Section 206 empowered the Federal Legislature and by virtue of section 316 the Indian Legislature of the transitional period—to provide by Act that in such civil cases as might be specified in the Act an appeal should lie to the Federal Court without a certificate of the nature referred to in section 205, and by sub-section (2) further empowered the Federal or Indian Legislature to make consequential provision for the abolition of direct appeals in civil cases to His Majesty in Council either with or without special leave. The Orders in Council hitherto made under section 320 had been so framed as to exclude section 206 from coming into force along with the remainder of Chapter I of Part IX, and the section is still not in force.

The proposal which originally commended itself to the Government of India was that Parliamentary legislation should be promoted for the amendment of section 206 so as to eliminate sundry anomalies to which attention had been drawn and that on the enactment of this legislation the whole section should be brought into force by Order in Council under section 320 so as to empower the Indian Legislature to confer a right of appeal to the Federal Court from decisions of High Courts in civil cases and consequentially to abolish direct appeals from such decisions to the Privy Council either with or without special leave. After exhaustive consideration, however, the Secretary of State reached the conclusion, in which the Government of India concurred, that the Indian Legislature ought not at this stage to be placed

in a position enabling it to abolish direct appeals with special leave to the Privy Council from High Courts in cases outside the scope of section 205, or, in other words, that any Indian legislation under section 206 providing for an appeal to the Federal Court should not deprive a party of the option of seeking special leave to the Privy Council. In view of this conclusion, the Government of India put forward a proposal under which the Parliamentary legislation for the amendment of section 206 should itself provide for the coming into force of sub-sections (1) and (3) thereof to the exclusion of sub-section (2) and that no steps should for the moment be taken to bring sub-section (2) into force. The effect would be to empower the Indian Legislature to vest the Federal Court with a civil appellate jurisdiction concurrent with that of the Privy Council and to leave the choice of the forum of appeal to the free option of the party to whom a right of appeal has accrued.

Reference was made to the desirability of removing certain anomalies before section 206 was brought into force to the extent proposed. The principal point involved was that section 206 was expressed in terms of a " High Court " in British India, with the result that the power conferred upon the Indian Legislature by that section extended to the conferment of a right of appeal to the Federal Court from the decisions of such Courts only as were enumerated in section 219 to the exclusion of other Courts of final appellate jurisdiction in British India (e.g., the Courts of the Judicial Commissioners in Ajmer-Merwara, Coorg and British Baluchistan) which were High Courts within the meaning of Indian legislation and from whose decisions appeals lay to the Privy Council under section 109 of the Code of Civil Procedure. Section 205 was similarly expressed, with the even more anomalous result that while a direct appeal from a Constitution Act High Court in a " constitutional " case lay to the Federal Court, a direct appeal from a Court of final appellate jurisdiction which was not such High Court continued to lie to the Privy Council to the exclusion of the Federal Court. It was proposed, therefore, to amend both sections so as to extend the provision made for Constitution Act High Courts to other Courts of final appellate jurisdiction in British India. It was also proposed to make such further amendments in section 206 as would enable the Indian Legislature to equate in all respects the conditions under which appeals would lie to the Federal Court with the conditions under which appeals at the moment lay to the Privy Council under section 109 of the Code of Civil Procedure.

Clause (*a*) of sub-section (1) of section 206 imposed minimum and maximum limits of Rs. 15,000 and Rs. 50,000 respectively on the amount of value of the subject matter necessary to the creation of a right of appeal to the Federal Court without special

leave. No change in this respect was proposed, and it was contemplated that any legislation enacted by the Indian Legislature in pursuance of section 206 would amend section 110 of the Code of Civil Procedure so as to substitute for the reference therein to Rs. 10,000 a reference to such higher sum—not being less than Rs. 15,000 or more than Rs. 50,000—as might be adopted as the minimum amount or value involving a right of appeal to the Federal Court without special leave. The actual figure to be adopted within these limits would rest with the Indian Legislature; but the figure which Government had in mind was Rs. 15,000. The substitution of a reference to the higher figure for the reference in section 110 of the Code of Civil Procedure to Rs. 10,000 would involve the abolition of the existing right of appeal to the Privy Council in cases in which the amount or value was not less than Rs. 10,000 but was less than the higher figure to be adopted, but the abolition *pro tanto* of existing appeals to the Privy Council by right of grant was of course within the powers of the Indian Legislature independently of sub-section (2) of section 206.

The Government of India, in a statement published on the 15th January 1945, mentioned that in the course of discussions of the proposal under consideration attention had been drawn to the fact that the Federal Court had held judicially that a judgment of a single Judge of a High Court was a judgment in respect of which sub-section (1) of section 205 applied despite the fact that a so-called Letters Patent appeal lay to the High Court from such judgment. The Secretary of State and the Government of India entertained no doubt that this decision correctly interpreted the existing law, but they were not convinced that the effect in this respect was desirable, and they felt that it would be more consonant with principle that appeals from a High Court to the Federal Court should be confined to cases in which all rights of appeal within the High Court itself had been exhausted. It was, therefore, proposed that the legislation in contemplation should include provision excluding the possibility of a direct appeal to the Federal Court from the judgment of a single Judge from which an appeal lay to a Bench of the High Court itself.

The second proposal contemplated the insertion in the Constitution Act of a section empowering the Central Legislature to provide for reference to and decision by the Federal Court of questions of law arising out of orders made by any appellate tribunal constituted under the law for the time being in force in British India relating to taxes on income, or, in other words, to transfer to the Federal Court the jurisdiction at present vested in High Courts by section 66 of the Indian Income-tax Act. The decision of a High Court on such reference was at the moment

appealable to the Privy Council, and the section to be inserted in the Constitution Act would be so drawn as to render a decision of the Federal Court in exercise of this jurisdiction appealable to the Privy Council by leave either of the Federal Court or of the Privy Council itself. The proposal was inspired in the main by the desirability of securing uniformity in the judicial interpretation of income-tax law more easily than was possible under existing conditions which had not infrequently led to most embarrassing conflicts of judicial opinion.

It was realised that if the enactment of Parliamentary legislation in the sense indicated above were followed by legislation in the Indian Legislature in either or both of the directions involved, an increase of the existing strength of the Federal Court would be required. No attempt had been made to estimate the precise extent of the necessary increase, but on the footing that the vesting of the Federal Court with jurisdiction in respect of income-tax references was not envisaged when six was fixed by sub-section (1) of section 200 as the limit to which the number of Puisne Judges could be increased without an address to His Majesty it was proposed that the contemplated Parliamentary legislation should include provision for increasing this limit to eight.

The Secretary of State had intimated that he would be prepared to promote Parliamentary legislation on the lines indicated above if but not unless he was satisfied that the proposals would be acceptable to Indian opinion.

In replying to the Associated Chambers of Commerce of India who requested the views of this Chamber on the above proposals, the Committee stated that they did not consider that any objection could be raised to an alternative right of appeal being instituted except possibly on the score of unnecessary expense in so far as neither the first proposal nor the second interfered with the existing right of appeal in certain cases to the Privy Council. The time for protesting would arise only if and when any attempt was made to abolish the right of appeal to the Privy Council.

TIME ALLOWED FOR CONSIDERATION OF GOVERNMENT BILLS.

In March 1945 the Committee addressed the Government of India protesting against the shortness of time allowed on certain occasions between the publication of important Bills and the consideration of them by the Legislature. This complaint referred in particular to the Income-tax (Amendment) Bill which was sent to the Select Committee almost immediately after its introduction in the House, allowing practically no time for consi-

deration by commercial interests affected. The Committee telegraphed to their representatives in Delhi certain tentative opinions based on the report in the papers but on receipt of the actual Bill it was found that various inaccuracies had appeared in the Press.

The Committee suggested that it would be only fair that Chambers of Commerce and similar associations should be given more time in which to express their views on such important measures to their representatives in the Assembly, and a hope was expressed that Government would bear this representation in mind in the future.

REGISTRATION OF TRADE MARKS.

Penalty for False Representation.

In a Press Note dated 30th December 1944 the Commerce Department of the Government of India drew the attention of the public to the provisions of Section 68 of the Trade Marks Act, 1940, which laid down the penalty for falsely representing a trade mark as "registered" when it was not in fact duly registered in accordance with the provisions of the Act. The operation of the aforesaid provisions was postponed to enable *bona fide* users desiring to do so to have their marks duly registered under the Act. The Central Government being of the opinion that a period of further 12 months was sufficient to enable all such users to comply with the law by having their marks registered, announced their decision by a notification in the *Gazette of India* of 30th December 1944 to enforce the provisions of Section 68 of the Trade Marks Act, with effect from 1st January 1946.

TRADE MARKS ACT AND INDIAN STATES.

(*See Reports*, 1942, *page* 115; 1943, *page* 99; 1944, *page* 121.)

At the annual meeting of the Associated Chambers of Commerce of India held at Calcutta on the 20th December 1943, a resolution in the following terms was adopted:—

"This Association invites the attention of the Department of Commerce to the need for an early settlement of the difficulties arising out of the necessity to satisfy the requirements of more than one registration Authority in India, and urges the Government of India to secure the acceptance of a common policy on Trade Mark Registration as between British India and the various Indian States."

The terms of the resolution and the debate preceding its adoption were duly forwarded to the Department of Commerce of the Government of India who in reply stated that proposals

for reciprocal arrangements with Indian States in regard to the registration and protection of trade marks had been made to them and the major industrially advanced States had in particular been invited to join such a scheme. The necessity for maintenance of uniformity of trade marks law and rules in British India and the Indian States participating in such a scheme and avoidance of duplication of registration in respect of the same trade mark by the same proprietor within the territories to which the reciprocal arrangements would apply and of payment of separate fees therefor, had also been kept in view.

It was added that concrete proposals would be formulated on receipt of the observations of the Indian States and the Associated Chambers would be informed of the progress made in this direction.

Early in November 1945 the Committee had an opportunity of meeting Mr. K. S. Shavaksha, the Registrar of Trade Marks in Bombay, and discussing with him the position as it stood regarding negotiations with Indian States on the question of the grant of reciprocal recognition of trade marks registration in India. They understood that the scheme as then envisaged by the Government of India depended on the outcome of conversations with five of the more important States, viz., Baroda, Mysore, Hyderabad, Cochin and Travancore, and that discussions had already reached a satisfactory conclusion with the first three of these.

The Committee were informed that the scope of the plan of the Government of India sought to obtain mutual recognition of trade marks registration in each of the respective Registries, so as to obtain all-India registration for each mark whether it was registered in a State or in British India.

In addressing the Department of Commerce of the Government of India on the subject, the Committee pointed out that uniformity of law in regard to trade marks could not be overemphasised and must be brought into force at the earliest moment. They pressed on Government the urgency of reaching an agreement with the remaining two States, i.e., Travancore and Cochin, and introducing an amendment in the Trade Marks Act not later than the February session of the Legislative Assembly.

There was one further point which arose, viz., that of the question of the fee to be charged, and the Committee understood that the Government of India were considering recommending a fee of Rs. 30 instead of the present sum of Rs. 10 for submitting applications, and a fee of Rs. 60 instead of the present sum of Rs. 20 for registration of each mark. This suggestion met with their full support.

INDIAN PATENTS AND DESIGNS ACT, 1911.

AMENDMENT.

(*See Report* 1944, *page* 123.)

On the 1st February 1945, the Government of India published a Bill to amend the Indian Patents and Designs Act, 1911. In the statement of objects and reasons appended to the Bill it was mentioned that the existing provisions of the Act did not permit an inventor to apply for a patent before he had worked out the practical details of his invention, and thereby exposed him to the risks arising from the disclosure of his invention to others at its unprotected stage. The relevant provisions under the United Kingdom Act on the other hand, enabled the inventor to apply for a patent as soon as the inventive idea occurred to him, and allowed him a period of 13 months from the date of his application for developing its practical side, this period being part of the period during which the invention was "provisionally protected." It had been found necessary, therefore, to amend the Indian Act on the lines of the United Kingdom Patents and Designs Act, 1907, so as to confer on the applicant an option to file with his application a "provisional" specification merely describing "the nature of the invention" and later, within a specific period, to follow it up with the "complete" specification describing both "the nature of the invention" and "the manner of performing the same."

In replying to a reference from the European Group in the Central Assembly, the Committee stated that they had not examined the Bill as patent agents were mainly established in Calcutta and this Chamber would be guided by the Bengal Chamber's views.

The Bill was passed by the Legislature and received the assent of the Governor General on the 16th April 1945 (Act IX of 1945).

SALES TAX IN BOMBAY.

(*See Report* 1939, *page* 99.)

On the 7th December 1945, the Government of Bombay published a Bill the object of which was to levy a tax on the sale of goods or, more accurately, on the turnover of such sale. In a statement attached to the Bill it was mentioned that the immediate occasion for the tax was the need to augment Provincial revenue in order to meet the expenditure, recurring and non-recurring, on post-war reconstruction. A sales tax, in one form or another, already existed in Madras, the Punjab, Bengal and Bihar. The Government of Bombay considered that it might suitably be introduced in this Province.

It was pointed out that the tax would be levied on the turnover of sales of goods to actual consumers, but only such turnover would be taxed as exceeded Rs. 10,000 a year. All dealers whose turnover exceeded Rs. 10,000 a year would be registered and the tax realised from them. The rate of levy proposed was half an anna in the rupee. It was proposed to exempt certain essential articles such as foodgrains and cheap cloth, as also articles which were already subject to a separate Central or Provincial tax such as matches, sugar, liquor, opium, and electricity. It was also proposed that sales of goods to addressees living outside the Province should be excluded from the operation of the tax.

After referring the Bill to a special Sub-Committee on which the European Association, Bombay Branch, was represented, the Committee submitted their views as under :—

In the statement of objects and reasons accompanying the Bill, Government pointed out the necessity of augmenting the Provincial revenues to meet expenditure for post-war reconstruction, and the Committee agreed that additional taxation for this purpose was inevitable. It was suggested, however, that it would have been appropriate had Government given some indication of the estimate of the revenue likely to be obtained from the proposed Sales Tax. Such an estimate should be possible, inasmuch as Government had on two previous occasions given serious consideration to the enforcement of such a tax.

The Committee also agreed that a tax on sales or turnover was reasonable provided certain fundamental factors were adhered to in relation to the operation of such a tax. It was not their intention to comment or criticise in detail the various clauses of the Bill, but to confine their criticisms to general terms.

The Committee considered that it should be clearly and categorically stated in the Bill that the tax would be one leviable at the time of the retail sale of such commodities as came within the scope of the tax, and in no circumstances should the wholesaler or producer be affected.

The rate of tax which was set at $\frac{1}{2}$ anna in the rupee or $3\frac{1}{8}$ per cent. on turnover, was in the opinion of the Committee far too high to be applied as a general rate covering all commodities, and a close examination of the rates of tax which various commodities could reasonably attract would be necessary before a flat rate or graded rates of tax could be agreed upon.

The schedule of exemptions under section 7 of the proposed Bill was, in the opinion of the Committee, far too narrow, e.g., it would appear that fuel, both coal and fuel oil, consumed in industry would come within the scope of the Bill, as would also fertilizers, fodder, oilcake, and other partly manufactured foods

at present utilised in feeding dairy cattle. It also appeared that all types of machinery would come within the scope of the Bill. Such inclusion, in the opinion of the Committee, was fundamentally wrong, as to increase the cost of foodstuffs directly or indirectly and of capital goods necessary for the rapid industrialisation of India at the present time could not be justified, particularly in view of the material increase in the cost of all capital goods already in operation owing to prevailing conditions.

The Committtee further considered that there should be an unambiguous provision in the Bill for the exclusion of all raw materials and of manufactured or partly manufactured articles used in the manufacture of finished articles.

The powers of delegation in the proposed Bill were far too wide and should be limited to responsible officers of such department as was in control of the operation of the Act. The powers of search of premises and examination of books and documents were also too wide and should not be exercised except under the direct orders of the Commissioner, who should not be permitted to delegate these powers to any other person.

Finally, the Committee tentatively suggested that the tax might be levied in a manner similar to the excise on matches, i.e. a special revenue stamp (such stamps should be available in a wide range of values) to be affixed to the article sold, or to the bill submitted in the case of each sale. The advantages would be (*a*) no need to exempt the small dealer, (*b*) easier collection of amounts by Government because all revenue would be secured by the sale of the stamps; (*c*) easily checked by Government who would not have to examine the dealers' accounts but could ascertain from inspectors whether the stamps were being affixed.

BOMBAY AGRICULTURAL DEBTORS RELIEF ACT. AMENDMENT.

(*See Reports*, 1917, *Volume I*, *page* 38; 1928, *Volume I*, *page* 40; 1932, *page* 252; 1934, *page* 71; 1935, *page* 192; 1936, *page* 53; 1939, *page* 188; 1942, *page* 105.)

In Part V of the *Bombay Government Gazette* dated 2nd February 1945, a Bill was published which had for its object the amendment of the Bombay Agricultural Debtors Relief Act, 1939. In a statement attached to the Bill, it was mentioned that in August 1943 the Government appointed a Committee to enquire into the working of the Bombay Agricultural Debtors Relief Act, 1939, with a view to ascertain the defects which obstructed the smooth working of the Act and the measures to be taken for remedying those defects and to suggest measures

for simplifying the procedure of debt adjustment and to provide for a large scale and speedy composition of agricultural debts. The present Bill was intended to give effect to the recommendations of the Committee accepted by Government. It was stated that provision was also being made to safeguard the interest of debtors who were temporarily engaged in any of the Defence Services. They were being exempted from personal cultivation of land if they had been cultivating the land personally at the commencement of the first of the two cultivating seasons immediately preceding the date of the establishment of the Board or the date of joining the Defence Service. It was also proposed to exclude their income from service for the purpose of calculating income from sources other than agriculture and manual labour under sections 2 (6) (*a*) (iv) and 2 (6) (*b*) (iv). Provision was also being made to enable such of them as could not appear before the Board on account of war conditions to appoint agents to appear and conduct the proceedings before the Board on their behalf.

The Bill was considered by the Scheduled Banks who submitted to Government criticisms of certain sections and suggested that the simplest method of dealing with the problem would be to exclude from the definition of debt, any debt due to a Scheduled Bank. This was the manner in which the matter had been dealt with in the Bengal Agricultural Debtors Act, 1935.

In addressing the Government of Bombay in the matter the Committee stated that the suggestions put forward by the Scheduled Banks had the full support of the Chamber.

Despite this appeal the Government of Bombay did not see their way entirely to meet the Banks' requests and enacted the Bill with the exception of a few minor and verbal alterations. The amending Act was published in Part IV of the *Bombay Government Gazette* of the 21st April 1945 (Bombay Act No. VIII of 1945).

So far as the Scheduled Banks were concerned the principal amendment effected by the Amending Act was to section 3, which amendment was to the effect that the provisions of the several sections of the Act set out therein should not affect any liability in respect of any sum due to a Scheduled Bank. In the opinion of the solicitors this was not tantamount to excluding the applicability of the entire Act to debts due to Scheduled Banks nor did it, for the reasons set forth in the appeals, imply that those sections, or some of them, did not in fact affect Scheduled Banks. Further, they were of opinion that far from clarifying the position, the Amending Act had added to the complications by introducing the scheme of excluding the application of only certain sections of the Act to liabilities due

to Scheduled Banks instead of adopting the simpler method suggested, namely of excluding from the definition of "debt," debts due to Scheduled Banks.

While, therefore, the Scheduled Banks' appeals had not succeeded in attaining the object in view, the Banks did not think that any useful purpose would be served by their pursuing the matter.

In Part V of the *Bombay Government Gazette* dated 2nd November 1945, a further Bill was published which had for its object the amending of the Bombay Agricultural Debtors Relief Act, 1939. In the statement appended to the Bill it was mentioned that under the provisions of the Bombay Agricultural Debtors Relief Act, 1939, the normal method of repayment of adjusted debts was by annual instalments fixed on the basis of the net annual income of the debtor. The special method of adjustment of debts through the Land Mortgage Banks and their repayment in bonds issued by the Banks as provided in section 55 of the Act, as it stood at the moment, did not appeal to the creditors as they had, in some cases, to agree to a further scaling down of the debt to a sum not exceeding half the value of the immoveable property of the debtor particularly as the bonds issued to them were not immediately redeemable.

Representations had been made to Government that the existing Land Mortgage Banks whose main business it was to supply long-term credit to the agriculturists should take over the awards in all cases where the total amount awarded was 50 per cent. or less of the value of the debtor's immoveable property and the creditors should be compelled to receive payment from these banks so that the adjusted debtor might be indebted to the Land Mortgage Banks for his long term credit and to the co-operative societies to be authorised under section 78 for his short-term credit.

The Land Mortgage Banks had since agreed:

(i) to take over all awards where the total amount awarded was 50 per cent. or less of the value of the debtor's immoveable property as defined in the Act or where the creditors agreed to scale down the debts of the debtor to a sum not exceeding half the value of the immoveable property of the debtor, and

(ii) to pay, at the option of the creditor, either in cash or in bonds.

Under the provisions of sections 51 and 52 of the Act, the paying capacity of the debtor was taken at sixty per cent. of the value of his assets (both immoveable and moveable) and his debts were to be scaled down to such paying capacity. It was likely that creditors would, in case of debts which did not come

under the scheme envisaged above, agree to such further reduction as would reduce the debts to 50 per cent. (or less) of the value of the debtor's immoveable property, and accept the amount due in cash or in bonds and it was therefore proposed to give an option to the creditors to agree to such further scaling down of the debts as to bring them within the above scheme.

The proposed amendments aimed at achieving the objects outlined in the above paragraphs.

This Bill was also considered by the Scheduled Banks who, in view of the fact that the proposed amendment to section 55 of the Act did not apparently affect their position, decided not to take any further action in the matter.

No action was, therefore, taken by the Chamber on the Bill.

USE OF THE WORDS "CHAMBER OF COMMERCE" AS NAME OR PART NAME OF A TRADING FIRM.

Towards the end of 1944 the Northern India Chamber of Commerce drew the attention of the Associated Chambers of Commerce of India to the increasing use of the words "Chamber of Commerce" by trading concerns as a part of their names. This it was considered was not only misleading, but might prove harmful to genuine Chambers of Commerce. Specific instances were quoted and it was suggested that steps might be taken to have the relative section of the Indian Companies Act amended so as to place restrictions on the use of the words "Chamber of Commerce" by a trading company seeking to register under the Act.

The Committee informed the Associated Chambers that it did not appear that this particular abuse was prevalent in the Bombay area as no cases had been traced up to the moment, but they were in favour of an official approach being made to the Government of India for the amendment of the Indian Companies Act in the direction suggested.

The Chamber was subsequently informed that the Associated Chambers had addressed the Government of India on the subject who intimated that the proposal had been noted for consideration at the time when a general revision of the Indian Company Law was undertaken.

INCOME-TAX.

COMPUTATION OF REFUNDS OF DIVIDENDS WHERE SECTION 49C OF THE INDIAN INCOME-TAX ACT IS APPLICABLE.

The following circular No. 4 (C. No. 43(1). I.T./43), issued by the Central Board of Revenue on the 10th March 1945 is

reproduced for purposes of record :—

"It has come to the notice of the Board that the working of section 49C of the Income-tax Act is not fully understood by Income-tax Officers and consequently the instructions on page 333 of the Income Tax Manual (eighth edition) are not correctly followed. The error generally made in this respect is that while under section 16 (2) the dividend is grossed up at the full company rate, credit of tax is allowed only at the effective rate at which the company paid tax after deduction of the double income-tax relief allowed to it. This does not satisfy the requirements of section 49C and the shareholder gets a much lower refund than he would have got by the correct application of that section.

2. Section 49C lays down that—

(i) a shareholder is deemed to have himself obtained relief in respect of the dividend at the rate at which the company obtained such relief for the financial year preceding the year in which the dividend is paid. In other words, the relief obtained by the company in any financial year is passed on to its shareholders in the dividends distributed in the following year; and

(ii) if the rate at which the company has obtained relief in the preceding year is greater than the rate at which the shareholder is entitled to relief in the year in which the dividend is assessed, had such relief been granted direct to him instead of to the company, the excess is to be recovered from him either by assessment or by reduction of the refund due to him under section 48."

Thus if 'R' represents the amount of relief obtained by the company in the preceding year, 'r' the amount of relief due to the shareholder with reference to his own appropriate rate, 'X' the amount by which the dividend is increased in grossing up and 'x' the tax payable by the assessee thereon, then the refund due to him is (X—x) —(R—r) which is the same thing as (X—R)—(x—r). The example given below shows how calculations should be made.

Example.—Suppose a shareholder receives a dividend of Rs. 1,420 in 1943-44 from a company which obtained income-tax relief for 1942-43 at .9 pies only. (The entire profits of the company were taxed.) The shareholder has other income of say, Rs. 5,320.

Dividend grossed up at the company rate of 50 pies (1943-44 rate)	Rs.	1,920
Other income	,,	5,320
	Rs.	7,240
Rate of tax applicable to the shareholder (including surcharge) in respect of his dividend income. The rate applicable is that for 1943-44 and not 1944-45 as in the case of income from dividends the Finance Act retains the preceding year's rate	15 pies.	
Tax deemed to have been paid by the shareholder on the dividend (1920-1420)	500	'X'
Tax payable by him on the dividend at 15 pies	150	'x'
If there were no complication of d.i.t. relief obtained by the company, the excess tax paid on dividends would be Rs. 350, i.e., X—x.		
The rate at which d.i.t. relief has been obtained by the company is .9 pies or the amount of relief obtained on 1920 at this rate is	9	'R'

The rate at which d.i.t. relief is admissible to the shareholder is 15 x $\frac{.9}{45}$ (45 pies being the company rate in 1942-43) = .3 pies of the amount of relief due is only 3 'r'

Thus the refund due in respect of the dividend is (X—x)—(R—r) or (500—150)—(9—3) which is the same as (500—9)—(150—3), i.e., Rs. 344.

It should be specially noted that in computing the amount of double income-tax relief obtained by the company the fraction $\frac{.9}{45}$ must not be applied to the tax of 500. This would give a figure of 10 instead of 9 worked out by applying .9 pies on 1920. The difference is due to the fact that as the grossing up is done with reference to the rate of 50 pies for the year 1943-44. the application of the fraction to this amount of tax at 50 pies (and not at 45 pies which was the company rate of tax when the relief was obtained) is tantamount to increasing proportionately the rate of relief of .9 pies to 1 pie. This reduces the refund due to the shareholder by one rupee and is not in accordance with the provisions of section 49C. It must also be noted that the application of this fraction $\frac{.9}{45}$ to 150, i.e., the tax payable by the shareholder on dividend does not make any difference and gives the same result as is obtained by calculating the relief at .3 pies on 1920. This is because the rate at which relief is due to the shareholder, viz., 3 pies has been arrived at by applying this fraction to 15 pies which is the average rate of tax applicable to him for the year in question. Thus it is the amount of relief obtained by the company at the preceding year's rate which is to be compared with the amount of relief due to the shareholder for the year of assessment on the same basis. The rate at which company obtains relief in 1943-44 is, for purposes of section 49C, passed on to the shareholder in the dividends distributed in 1944-45.

3. If owing to the delay in the assessment of the company, the rate at which the relief was due to it in the financial year next preceding the year in which the dividend was paid is not known, the rate at which relief was granted to it in the latest assessment year should be adopted for this purpose with a view to avoiding delay in the assessment of the shareholder. However if the rate applicable to a company in the preceding year has varied, the rate of relief should be varied accordingly. For instance, if in the example above, the company's rate of relief for 1942-43 were not available and for 1941-42 the rate at which the company obtained relief were .8 pies, this rate should be increased in proportion to the increase in the company rate, i.e., multiplied by $\frac{45\ (1942\text{-}43\ \text{rate})}{40\ (1941\text{-}42\ \text{rate})}$ which would give the rate of relief for 1942-43 to be .9 pies. Though the fractions $\frac{.8}{40}$ and $\frac{.9}{45}$ are the same and where the fraction is to be applied it would make no difference, the calculation of relief obtained by the company at .8 pies does make a difference of one rupee in the example given.

4. If after the assessment of the company for the relevant year it is found that the rate of relief adopted as above was not quite correct, the assessment should not be revised unless the assessee himself presses for it or unless the application of the correct rate makes a difference of Rs. 25 in tax in favour of or against the assessee. In the former case, the assessment should be rectified *suo motu* under section 35 and in the latter case, action should be taken under section 34.

On the 20th August 1945 the following further circular No. 7 was issued by the Central Board of Revenue :—

"Attention is invited to the instructions issued in Board's Circular No. 4 of 1945 on the subject noted above.

The Board has decided that in cases where owing to the incorrect application of the provisions of section 49C, a lower refund than that to which an asssesee would have been entitled was allowed the mistake may be rectified under section 35 by the Income-tax Officer if an application is presented to him by the assessee in this behalf within the time limit laid down in that section. The Income-tax Officer need not, however, review these cases with a view to rectifying the mistake on his own motion."

INCOME-TAX.

Trade Mark Registration Costs.

(*See Reports*, 1942, *page* 67 ; 1943, *page* 72.)

It was recorded in the Chamber's Report for 1943 that the Central Board of Revenue had declared their inability to accept a suggestion of the Chamber that their instructions in regard to trade marks registration costs should be so amended as to admit of the costs of first registration in the case of old trade marks, being allowed as revenue expenditure in income-tax assessments. On the 3rd February 1945 the Central Board of Revenue issued a corrigendum amending the second and third sentences of their previous instructions. The amended instructions read as under :—

The question has arisen whether the cost of deposit and registration of trade marks incurred under the Trade Marks Act, V of 1940, is an admissible expense in the computation of profits for the purposes of income-tax assessments. The Board consider that in so far as the cost of *initial* registration of new trade marks under Act, V of 1940 is concerned, it should be treated as of a capital nature since certain rights and advantages of an enduring nature are brought into existence by such registration. Expenses of depositing trade marks at the Patent Officer under section 85 of the Trade Marks Act, should be treated on the same footing as the expenses of first registration. Any expenditure incurred on the renewal of registration should, however, be allowed as a revenue expense since the purpose of such renewal is merely to preserve the existing rights and advantages.

INCOME-TAX APPELLATE TRIBUNAL.

(*See Reports*, 1942, *page* 68 ; 1943, *page* 70 ; 1944, *page* 101.)

It was recorded in the Chamber's Report for 1944, page 101, that a resolution was adopted at the annual general meeting of the Associated Chambers of Commerce of India on the 14th December 1944 reiterating their request that early attention of the Government of India should be given to the following matters connected with the practice and procedure of the Income-tax Appellate Tribunal.

(1) That the demand for the establishment of local Registrars for filing of applications and for facilitating communications with the local Benches be reconsidered ;

(2) That the decisions of all Benches of the Tribunal be made available to the public, if necessary by the amendment of Section 54 of the Income-tax Act.

The text of the resolution and a copy of the debate which preceded its adoption were duly forwarded to the Legislative Department of the Government of India who in reply stated that they had again carefully considered the request made in the resolution in the light of the observations contained in the report of the discussion thereon but regretted that they were unable to revise their decision on either of the matters referred to above.

The reasons why Government did not consider it necessary to establish local Registrars for filing of applications, etc., had been previously explained. Government were unable to appreciate the point sought to be made in the speech of Mr. Rowan Hodge, the mover of the resolution, that the non-establishment of local Registrars made it difficult for the assessees to communicate with the officer of the Bench concerned with regard to adjournments, filing of additional papers, etc., as once a case was allotted to a local Bench such communications could be made to the Bench concerned without delay or inconvenience to either party.

As regards the non-publication of the decisions of all the Benches of the Tribunal, apart from such publication not being possible without an amendment of Section 54 of the Income-tax Act, the Government of India did not consider that any useful purpose would be served by publishing the decisions of the Tribunal which was not a court of record and was not bound by its own decisions.

INCOME-TAX.

Obsolescence Allowance on Buildings erected for business purposes on account of Government War Contracts.

(*See Reports*, 1942, *page* 78; 1944, *page* 98.)

It was recorded in the Report for 1944 that this Chamber had supported the suggestion of the Madras Chamber that the Associated Chambers should request the Government of India to agree to a special income-tax obsolescence allowance in the case of buildings which had been the subject of a special allowance under section 26(3) of the Excess Profits Tax Act. The subsequent reply from the Central Board of Revenue stated that legislation would be necessary to allow the concession asked for and that the point made by the Associated Chambers had been noted and would be taken into consideration when the Income-tax Act was next amended.

The Committee of this Chamber were not satisfied with the reply from the Central Board of Revenue and they suggested to the Associated Chambers that an endeavour should be made to obtain an assurance that legislation would be introduced at the ensuing sitting of the Assembly.

INCOME-TAX AND EXCESS PROFITS TAX (AMENDMENT) BILL.

Relief in respect of earned Income.

As a part of the Finance Member's Budget proposals for 1945-46 a Bill was introduced on the 28th February 1945 in the Legislative Assembly which had two main objects, viz., to give relief to the taxpayer and to strengthen the hands of the Income-tax Department in its task of assessing and collecting the revenue. The relief proposals included an exemption in respect of earned income, special initial depreciation allowances in respect of new buildings, plant and machinery and allowance of expenditure (both capital and revenue) on scientific research.

On the 9th March 1945 the Committee telegraphed to the European Group in the Central Legislature that they held strong views against clause 7 of the Bill amending section 34 and considered that as regards clauses 8 and 10 safeguards were essential.

In following up the telegram, the Committee stated that in respect of clause 7 amending section 34 they most strongly opposed the Central Board of Revenue being given power to reopen assessments at any time within a period of four years on a point of law. The history of section 34 was as follows:—

As it originally stood, the section opened "if for any reason income profits or gains, etc." Bill No. II of 1938 sought to amend this by omitting the words "if for any reason" and inserting the words "if the Income-tax Officer is of the opinion that," etc. When the Bill went before the Select Committee the section was again altered and brought into line with English law and it was intended to substitute for the words "if for any reason" the words "if the Income-tax Officer discovers that," etc. The section as enacted was as it stood at the moment. Now it was proposed to revert to the amendment made by the Select Committee in 1938.

In the first of the two cases referred to in the Notes on Clauses (1944 I.T.R., p. 8) Sir John Beaumont in giving judgment stated (at p. 13) the principle as follows: "Income-tax is a serious item in the expenditure of most people and an assessee is entitled to know what his liability is, and it certainly is unreasonable that, if this liability has been fixed at a certain figure, and he has based his future budget on that figure, he should subsequently be told that owing to some mistake of the Income-tax Officer, he ought to have been charged at a heavier figure, with the result that he may be caused considerable embarrassment." Dealing with section 34 as it stood at the moment, His Lordship went on, "presumably no consideration of that motive led to the amendment of section 34."

Nevertheless, the principle was clear and in the view of the Committee should be insisted upon. There was adequate protection in the Act as it stood for the Income-tax Department, which might be summarised as follows :—

(1) Power was given by section 35 to rectify any mistake apparent from the record so that there was already in the Act ample opportunity of correcting mistakes apparent on the face of the record up to five years after the passing of the order.

(2) If a person had deliberately concealed income, section 34 as it stood at the moment, gave sufficient power to the Department. It was obvious that if a person had concealed income the discovery of the income by the Income-tax Officer must be as a result of definite information which was not before him when he made the assessment and the section as it stood, therefore, covered that point.

(3) The proposed alteration, therefore, was clearly designed to affect only the taxpayer who made a full return of his income and was under-assessed purely by mistake of the Income-tax Officer and that this was so was clear from the two cases mentioned in the Notes on Clauses. There both the Courts held that the discovery must be the result of information about some fact or facts which were not present to the mind of the Income-tax Officer when he made the assessment and which had later come to light. In both cases, the Income-tax Officer had present to his mind the fact that he made a mistake, in the Bombay case clearly of law as it turned out, and in the Patna case partly of law and partly of fact. The income had been fully disclosed in both the cases and therefore, the proposed alteration was much more subversive of the principle enunciated by Sir John Beaumont than the present section.

The Committee added that if, however, it was found that it was necessary to give way somewhat, the following were lines on which it was suggested that some compromise might be reached:

(*a*) allow the Commissioner to appeal to the Appellate Assistant Commissioner within the same time allowed to the assessee.

(*b*) allow reopening within one year on points of fact being the time within which the assessee might apply for rectification under section 33-A (E).

(*c*) the existing words to remain applicable for all other cases.

Clauses 8 *and* 10.—These amendments were introduced in order to deal with cases of evasion and whilst the Committee had no sympathy with black marketeers and others who by

defrauding the revenue passed their burdens on to honest members of the community, they drew attention to the danger that if the power was not applied with circumspection and under strict control by the Inspecting Officer it might develop to something approaching blackmail. Furthermore, the power to take copies might be used to take copies of confidential documents which were not required for Income-tax purposes. The Committee considered that the best course would be for the Group to insist on safeguards and get such undertakings on the floor of the House as might be thought to be adequate.

One further point arose. At the time of the visit of Sir John Sheehy to the Chamber on the 30th August 1944, the following point was raised, and Sir John agreed to consider it when the Income-tax Act was next amended.

Section 24A.—It was pointed out that although section 24A enabled an assessment to be made at the current rates of tax on the current year's income in the case of a person about to leave British India, there was no similar provision for assessment in the case of a liquidator who wished to close his liquidation. It was common in the case of voluntary liquidations for funds to be put on fixed deposits pending disposal, and if interest was received in the final year of liquidation, the liquidator could not know until the publication of the next year's Finance Bill, what income and super-tax he would have to provide before making his final distribution, which was, in consequence, delayed. The same point arose in the case of investments in Government paper, although income-tax was deducted at source: as a company would have to pay super-tax on the interest at the following year's rates, and also any increased income-tax.

The Committee requested the European Group to press for an amendment to cover this point.

The Bill was referred to a Select Committee whose report was published in the *Gazette of India* on the 24th March 1945, but on the 2nd April 1945 the Finance Member stated in the Legislative Assembly that he was not in a position to move the motion for consideration of the Bill as reported by the Select Committee. In the meantime the Finance Bill which had been rejected by the Assembly was certified by the Governor-General. The object of the latter Bill was to continue the existing rate of salt duty; to increase the inland postage rate on parcels exceeding forty tolas in weight; to continue the additional duty of customs imposed by section 6 of the Indian Finance Act, 1942 (XII of 1942) and to increase certain of these duties; to alter the duty of excise on tobacco in certain respects; to give relief from income-tax to earned income and to make a charge in the existing rate of surcharge on income-tax and to continue the excess profits tax.

The effect of the Finance Member not proceeding with the Income-tax (Amendment) Bill was that the public would have to pay three pies more surcharge on income-tax, and the compensatory relief on earned incomes would not materialise.

The trouble arose from the other provisions in the Income-tax Bill which were directed against tax evasion. Those provisions aimed first to permit of the re-opening of assessments at the discretion of the Income-tax Officer and secondly, to authorise the Income-tax Officer to enter business premises and stamp books. Both these provisions were opposed by the Congress Party and the Select Committee removed them from the Bill.

On the 28th April 1945, however, an Ordinance was published (IX of 1945) which brought into effect the particular clauses of the Income-tax (Amendment) Bill which related to the exemption from tax of a portion of "earned incomes."

In connection with the relief granted in respect of earned income the following letter was addressed by the Finance Department (Central Revenues) of the Government of India to all Provincial Governments and Administrations on the 7th May 1945 and is reproduced for purposes of record :—

"I am directed to invite a reference to the Indian Finance Act 1945, which was published in the *Gazette of India Extraordinary* dated the 31st March 1945. Section 7 of the Act relates to the levy of income-tax and super-tax. So far as rates of income-tax, super-tax and surcharge are concerned, there is no change from the rates in force in 1944-45 except that on slabs of income above Rs. 15,000 and on incomes taxable at the maximum rate the surcharge on income-tax has been increased by 3 pies from 24 to 27 pies in the rupee.

It will also be observed that the Act provides that if provision is made in the Indian Income Tax Act for earned income relief there shall be an exemption of one-tenth of "earned income" subject to a maximum (in terms of income) of Rs. 2,000. The Income-tax Amendment Bill which was introduced in the Central Legislative Assembly during the last Budget Session and which, *inter alia*, contained provisions for earned income relief was not proceeded with. The necessary amendments to the Income-tax Act to give effect to the earned income relief scheme have, however, since been made by means of an Ordinance entitled the Indian Income-tax (Amendment) Ordinance, 1945 (No. IX of 1945) which was published in the *Gazette of India Extraordinary* dated the 28th April 1945. The exemption will be given only in respect of such incomes which fall within the definition of "earned incomes" inserted in the Income-tax Act by section 2 of the Ordinance.

It is, roughly speaking, income from personal exertion and does not include, for example, the income of companies, dividends, interest on securities and income from property. The exemption will be available only for income-tax and not for super tax.

Examples to show how the tax on "salaries" is to be calculated and relief in respect of "earned income" allowed are given below :

Example 1.

Income Rs. 2,050 per annum.

Under clause (iii) of the proviso to paragraph A of part I of the Second Schedule to the Finance Act, 1945 the income-tax payable on the total

income as reduced by the allowance for earned income shall not exceed either:

(*a*) a sum bearing to half the amount by which the total income (before deduction of the allowance for earned income) exceeds Rs. 2,000 the same proportion as such reduced total income bears to the unreduced total income, or

(*b*) the income-tax payable on the income so reduced as the rates specified in the Second Schedule to the Finance Act.

Tax payable on the basis of (*a*) above:

Total income (the whole of which is earned being from salaries)	Rs.	2,050
Deduct: Earned income allowance (1/10th of Rs. 2,050)	Rs.	205
Taxable income	Rs.	1,845

Half the excess over Rs. 2,000=(50÷2)=Rs. 25

The proportionate tax payable on Rs. 1,845 would be=Rs. 25×1,845/2,050=Rs. 22-8-0.

Tax payable on the basis of (*b*) above:

Total income (the whole of which is earned being from salaries)	Rs.	2,050
Deduct: Earned income allowance (1/10th of Rs. 2,050)	Rs.	205
Taxable income ..	Rs.	1,845

	Income-tax.	*Surcharge.*
On the first Rs. 1,500	....	
On the balance of Rs. 345 (income-tax at 9 pies and surcharge at 6 pies in the rupee) ..	Rs. 16-2-9	Rs. 10-12-6

Total income-tax and surcharge payable would thus be .. .. Rs. 26-15-3

In accordance with the proviso quoted above the income-tax actually recoverable in this case is on the basis of (*a*) above which works out at a less figure, viz., Rs. 22-8-0 per annum or Rs. 1-14-0 per mensem. On incomes exceeding Rs. 2,000 but not exceeding Rs. 2,061 the basis (*a*) being more favourable to the assessee should be adopted and in the case of incomes exceeding Rs. 2,061 the basis (*b*).

Example 2.

Monthly income Rs. 1,000 or Rs. 12,000 per annum. Provident fund contribution and life insurance premium Rs. 2,500.

Income-tax payable:

Total income (the whole of which is earned being from salaries)	Rs.	12,000
Deduct: Earned income allowance (1/10th of Rs. 12,000)	„	1,200
Taxable income..	Rs.	10,800

The relief in respect of provident fund contribution and life insurance premium is restricted to 1/6th of total income (before deduction of the allowance for earned income) and to Rs. 6,000 in the aggregate. In this example provident fund and life insurance relief can be given only for Rs. 2,000 (1/6th of Rs. 12,000).

Example 3.

Monthly income Rs. 3,500, annual. . Rs. 42,000.

Provident fund contribution .. „ 5,000 } Rs. 9,000. Restricted to 1/6th of total income (before deduction of earned income allowance) and to Rs. 6,000 in all.

Life insurance premium .. .. „ 4,000 }

Income-tax and surcharge on income-tax payable:

	Rs.
Total income (the whole of which is earned being from salaries)	42,000
Deduct: Earned income allowance (1/10th of earned income subject to maximum of Rs. 2,000)	2,000
Taxable income ..	40,000

		Rate of		Tax payable					
		Income-tax (Pies in the rupee)	Surcharge	Income-tax			Surcharge		
	Rs.			Rs.	a.	p.	Rs.	a.	p.
First	1,500 ..	Nil	Nil	Nil			Nil		
Next	3,500 ..	9	6	164	1	0	109	6	0
„	5,000 ..	15	10	390	10	0	260	7	0
„	5,000 ..	24	18	625	0	0	468	12	0
„	25,000 ..	30	27	3,906	4	0	3,515	10	0
„	40,000 ..		Total ..	5,085	15	0	4,354	3	0
Provident fund and life insurance relief on Rs. 6,000—6,000/40,000 or 3/20 of income-tax and surcharge				762	14	0	653	2	0
Net annual income-tax and surcharge				4,323	1	0	3,701	1	0
Monthly deduction of income-tax and surcharge				360	4	0	308	7	0

Super-tax and surcharge on super-tax payable.

Note.—The earned income allowance will not be given for super-tax. Nor will any rebate of super-tax be given in respect of provident contributions or life insurance premiums.

Total income .. .. Rs. 42,000

		Rate of		Tax payable					
		Super-tax (Annas in the rupee)	Surcharge	Super-tax			Surcharge		
	Rs.			Rs.	a.	p.	Rs.	a.	p.
First	25,000 ..	Nil	Nil	Nil			Nil		
Next	10,000 ..	1	1	625	0	0	625	0	0
„	7,000 ..	2	2	875	0	0	875	0	0
	42,000 ..			1,500	0	0	1,500	0	0
Monthly super-tax and surcharge payable ..				125	0	0	125	0	0
Monthly salary							3,500	0	0
Deduct:									
Income-tax				360	4	0			
Surcharge on income-tax				308	7	0			
Super-tax				125	0	0			
Surcharge on super-tax				125	0	0	918	11	0
Net payment of salary each month ..							2,581	5	0

In cases where there has already been any excessive or deficient deduction, the necessary adjustment can be made by the disbursing officer against payments made hereafter during the current financial year.

I am to request that the necessary instructions in this behalf may kindly be issued to all disbursing officers under your control."

EXCESS PROFITS TAX.

RECEIPTS FOR DEPOSITS.

(*See Report* 1944, *page* 110.)

It was recorded in the Chamber's Report for 1944 that in replying to an enquiry from the Associated Chambers of Commerce of India, the Committee stated that in their view the form of deposit receipt or certificate which the Central Board of Revenue should be asked to grant, should include the following particulars:—

(1) the amount deposited;
(2) the date of deposit;
(3) the rate of interest;
(4) the terms of repayment.

In May 1945 intimation was received from the Associated Chambers that the Central Board of Revenue had agreed to supply to each assessee a yearly statement after the close of the financial year in the underquoted form.

EXCESS PROFITS TAX.

Deposits under Section 10 *of Finance Act*, 1942, *and Section* 2 *of the E.P.T. Ordinance*, 1943.

To

_____

_____

_____

I beg to inform you that according to my records the sums paid by you up to the 31st March 1945 inclusive as deposits under section 10 of the Finance Act, 1942, or section 2 of the E.P.T. Ordinance, 1943, and not refunded up to that date are as shown at the foot hereof.

This letter is not to be taken in any way as evidence of the sums which will be refundable after the termination of the present hostilities, and is subject to correction. If you disagree with any of the particulars given, you should communicate with this office.

I am, Sir,
Your obedient servant,

Excess Profits Tax Officer.

*Dated*____ ____ ____

Chargeable Accounting Period.	Whether deposit voluntary or compulsory.	Date of deposit.	Amount deposited.	Amount of deposit refunded.	Net Amount of deposit for C.A.P.
Commencing ..					
Ending ..					
Commencing ..					
Ending					
Commencing ..					
Ending					
Commencing ..					
Ending					

EXCESS PROFITS TAX.

Transfer to Reserves of amounts equal to Compulsory Deposits.

(*See Report* 1944, *page* 109.)

It was recorded in the Chamber's Report for 1944 that the Committee had urged on the Government of India the desirability of amending the Indian Companies Act, 1913, so as to confer on the directors of companies the power to set aside to reserves amounts equal to the compulsory deposits required to be made by the companies under section 2 of the Excess Profits Tax Ordinance, 1943, as modified by section 8 (3) (*a*) of the Indian Finance Act, 1944.

The Government of India, in reply, stated that after full consideration of the matter they regretted they were unable to accede to the Chamber's request.

EXCESS PROFITS TAX.

Disallowance in assessment to Ceylon Income-tax.

(*See Reports* 1943, *page* 84; 1944, *page* 112.)

It was recorded in the Report for 1944, that this Chamber had requested the London Chamber to make suitable representations to the Secretary of State for India in order that appropriate action might be taken in conjunction with the Colonial Office to persuade the Government of Ceylon to remedy the position.

In replying to this Chamber's representation on the subject, the Central Board of Revenue informed the Chamber that the matter was being taken up with the Department of Commonwealth Relations, Government of India.

In April 1945 the Central Board of Revenue intimated that the Ceylon Government had not accepted the suggestion made to them through the Department of Commonwealth Relations for allowing the net Indian excess profits tax as a deduction in arriving at the income chargeable to Ceylon income-tax.

The Committee accordingly again addressed the London Chamber in the matter and stated that they did not know why the Government of India did not put up a suggestion on the lines of suggestion (ii) made to the States, i.e., the suggestion made in this Chamber's letter to the Ceylon Chamber of Commerce, which was that where the assessable income in both countries, before allowing excess profits tax, was the same, the higher of the two incomes after allowing excess profits tax should be regarded as having suffered income-tax in both countries. If that was agreed upon, the financial effect would be that the country charging the higher excess profits tax would give the double income-tax relief requirred out of such higher excess profits tax.

The only difference between this and suggestion (ii) made by the Government of India to the States, was that the latter envisaged excess profits tax in only one country. Several of the States had since introduced excess profits tax, usually at rates differing from the British India rate, and the scheme indicated above would presumably replace suggestion (ii) in those States.

A reply was received from the London Chamber of Commerce early in August to the effect that the matter had been taken up with the India Office which was of the opinion that so far as Indian interests were concerned the matter was not one in which the Secretary of State for India could move except at the invitation of the Government of India. Moreover, the India Office maintained that if the Government of India wished to make representations to the Government of Ceylon they would normally do so direct and suggested that in all circumstances a further approach to the Government of India appeared desirable.

The Committee accordingly addressed the following letter to the Central Board of Revenue:—

"My Committee desire to draw the attention of the Board to the correspondence resting with your letter C.No. 8(22)-E.P./43, dated 13th April 1945, informing the Chamber that the Ceylon Government had not accepted the suggestion made to them through the Department of Commonwealth Relations to allow the net Indian Excess Profit Tax as a deduction in arriving at the income chargeable to Ceylon Income-tax. My Committee subsequently wrote to the London Chamber of Commerce requesting them to approach the India Office to put up a suggestion to the Ceylon Government on the lines of suggestion (ii) made by the Board to the States which was that where the assessable income in both countries, before allowing E.P.T., is the same, the higher of the two incomes after allowing E.P.T. should be regarded as having suffered income-tax in both countries. We have now heard from the London Chamber of Commerce

and enclose a copy of their letter which states that the matter is not one in which the Secretary of State for India could move except at the invitation of the Government of India. In view of this, my Committee request Government to take up the matter again with the Ceylon Government through the Department of Commonwealth Relations, making the suggestion mentioned above.

"While on this subject my Committee desire to take the opportunity of referring to the meeting they had with Sir John Sheehy, C.I.E., I.C.S., in August 1944, when this point was raised in connection with Indian States. Sir John then stated that he had suggested the following two alternatives to the States:—

(i) That British Indian excess profits tax should be treated as appropriation of profits by Government as far as the State was concerned, and they should levy tax only on the amount left after its exclusion.

(ii) That double income-tax relief should be given by both British India and the States on the income before charging E.P.T.

"A number of States have recently introduced E.P.T. at rates varying from the British Indian rate, and some of them, e.g., Travancore and Cochin have, presumably as a result of the above suggestions, been induced to adopt section 12(2) of the Indian Excess Profits Tax Act.

"Referring again to Sir John Sheehy's suggestions (i) and (ii) to the States, my Committee have not yet heard whether a uniform arrangement has now been come to by Government with the States and they would welcome your advice on this point."

EXCESS PROFITS TAX.

RECIPROCAL ARRANGEMENTS WITH ADEN.

On the 19th April 1941 excess profits tax was levied in Aden retrospectively from the 1st of April 1939, the original excess profits tax provisions of the United Kingdom Finance (No. 2) Act, 1939, being adopted almost unchanged.

Excess profits tax was introduced in India from the 1st of September 1939; so that only from the latter date was excess profits tax allowable as a charge in the computation of British India income-tax.

The result was that from April to August 1939 the position was similar to that existing in the Indian States where there was no State excess profits tax and it was understood that the Government of India was pressing the States that double income-tax relief should be given by both British India and the States on the income before charging excess profits tax. In a case that was brought to the notice of the Committee of the Chamber the the Indian income before taxation was about 10 per cent. less than the Aden income but after allowing excess profits tax in both countries for 1939, the Indian income was about 33 per cent. more and on the excess of Indian income, income-tax was payable in British India and excess profits tax in Aden with no relief.

The Committee addressed the Central Board of Revenue in the matter and pressed the desirability of arranging with Aden

the same principle of taxation relief as was at the moment suggested for the Indian States. They were subsequenty informed that the Government of India had addressed the Government of Aden in the matter.

INSURANCE.

INSURANCE (SECOND AMENDMENT) BILL.

(*See Report* 1944, *pages* 127 *and* 128.)

The Select Committee's Report on the above Bill was published in Part V of the *Gazette of India* dated 17th February 1945.

The Report was examined by the Special Sub-Committee who considered the original Bill and the Committee addressed the European Group in the Central Legislature on the lines suggested by the Sub-Committee who were in complete agreement with the first minute of dissent whose signatories included MR. CHAPMAN MORTIMER and MR. E. L. C. GWILT. They also agreed with the comments made by MR. N. C. CHUNDER in his minute of dissent to the effect that the Bill had been so altered as to require republication and reconsideration by all interests involved. The following comments were submitted :—

Clause 31*A*.—The proposal that certain types of payments of commission should be disallowed was acceptable, but the Committee reiterated the views expressed in their previous letter relating to clause 16 of the Bill.

Clause 31*A* (1) (*a*).—The Committee considered that it should be made clear that this section applied to the management of a company as a whole and not to any part of it, such as its Indian business.

Clauses 40 (*a*) *and* 40 (*b*).—The Committee considered that there were many detailed criticisms which would doubtless be made by insurance associations as regards these new clauses, but speaking broadly they objected to the overall limitation of expenses of management as the proposed formula was impracticable, in particular in that it did not allow for the different distributions of business, and would therefore be inequitable between one company and another. If any equitable formula could be agreed upon, it must be based on the Indian business of companies. At the moment the point was not clear in section 40 (*a*) though it was in 40 (*b*).

It was suggested that it would materially assist Government in eliminating unsound and extravagant life insurance

companies if an annual certificate of the adequacy of premiums charged was insisted upon.

In criticising the proposal to reduce life agency commissions to licensed agents, it was pointed out that it would tend to dissuade the right type of man from becoming an insurance agent. It was essential that the standard of insurance agents should be raised if life insurance in this country was to attain a higher standard, and it could not be anticipated that the right type of man would be prepared to work for a pittance.

In conclusion, the Committee stated that they were of opinion that with the abnormal war-time conditions prevailing, it was unwise to rush through legislation which would continue to affect insurance business when more normal conditions prevailed.

As a result of a conference held on the 9th April 1945 between the Commerce Member and party leaders, the Government of India decided not to proceed with the Bill during the 1945 budget session of the Assembly and as the latter was subsequently prorogued the Bill lapsed.

INSURANCE ENQUIRY COMMITTEE.

In May 1945 the Superintendent of Insurance informed the Chamber that the attention of the Government of India was recently drawn to some trends and undesirable features in the management of insurance companies. The Government of India had therefore set up a Committee consisting of the following persons :

1. Sir Cawasjee Jehangir, Bart., G.B.E., K.C.I.E., O.B.E., M.L.A., *Chairman.*
2. Wajahat Hussein, Esq.
3. Sir Alan Lloyd, C.S.I., C.I.E.
4. J. K. Mitter, Esq.
5. Sir George Morton.
6. K. R. P. Shroff, Esq.
7. L. S. Vaidyanathan, Esq.

Members.

The purpose of this Committee was to enquire into and to recommend measures that should be taken to check this evil. Some of the features appeared to be (i) cornering of shares of insurers at prohibitive prices and frequent changes in the controlling personnel of insurance companies, (ii) interlocking of interests between banks and insurance companies and (iii) speculative investments of insurance funds. There might be others.

The Chamber was invited to send its views and observations in this connection.

The Committee informed the Superintendent of Insurance that they generally approved of the ends in view and expressed

a hope that any proposals for action would be circulated for opinion before actual action was taken.

COMPULSORY INSURANCE OF MOTOR CARS AGAINST THIRD PARTY RISKS.

(*See Reports*, 1937, *page* 136; 1941, *page* 139; 1943, *page* 105.)

In June 1945 the Committee supported a proposal made by the Bengal Chamber to the Associated Chambers of Commerce of India that Government should again be advised to postpone the introduction of compulsory third party insurance until more normal conditions were established.

The Chamber was subsequently informed that the Associated Chambers had addressed the Government of India to this effect. The Government of India, however, in their reply stated that in their opinion, and this view was shared by the majority of the Provincial Governments, the reasons which prompted the decision to postpone the operation of the Compulsory Third Party Insurance until 1st July 1946, did not now have the force which they had at the time the Act was amended. Transport operators in particular had made good profits in recent years and the payment of insurance premiums could no longer be reasonably held to be a "hardship". Further, the new joint-stock transport companies which were in course of formation in almost all the Provinces would be insured for third party risks from the outset and this would in itself increase the volume of this class of business.

In these circumstances, the Government deemed it necessary to proceed with the preparations necessary to bring this provision into effect from the 1st July 1946. To this end they were consulting Insurance Associations. Should it be found in the course of these preparations and consultations that there were strong practical objections or other reasons for postponement, or phased postponement, the question would of course be reconsidered. In the meantime, the Central Government had no option but to make preparations for the coming into force of an extant provision of the law on due date.

CUSTOMS AND IMPORT-EXPORT CONTROLS.

VISIT TO THE CHAMBER OF MR. M. SLADE.

MR. M. SLADE, C.I.E., I.C.S., Member, Central Board of Revenue, visited the Chamber on the 25th July 1945 and had an informal discussion with members on the following subjects:—

(i) Export permits for packed stores sent ex bond by vessels for delivery at other ports on board other vessels for consumption.

(ii) Cancellation of general permission to export ships' stores for use of vessels lying at African and Persian Gulf ports.

(iii) Reduction in rate of Customs Duty on Infant Food (Cow and Gate Milk Food) and Cod Liver Oil.

(iv) Duty of 3 per cent. levied on Hard Cotton Waste Coloured (machined) under the Cotton Textile Fund Ordinance.

(v) Non-refund of duty paid on goods lost in the explosions of April 1944.

BOMBAY CUSTOMS COASTING TRADE ESTABLISHMENT.

In January 1945 the attention of the Chamber was drawn by several members to the extreme inconvenience that would be experienced by the trade if a proposal of the Bombay Customs to transfer their Coasting Trade Establishment from the New Customs House to Malet Bunder were carried out, owing to the distance of the latter from the Docks and also from the offices in the Fort area. The Committee addressed the Collector of Customs on the subject and expressed a hope that he would see his way to retain the Department in its present location in the New Custom House and in any case that he would give the Chamber an opportunity to discuss the matter with him before a final decision was taken.

EXPORTS TO JAVA.

Under War Notice No. 921 dated 21st August 1945, the Export Trade Controller called upon exporters of cotton piece-goods and yarn to furnish statements of their shipments during the three years 1939-40, 1940-41 and 1941-42 to certain countries in the Far East, but as regards Java exporters were requested to produce their statements showing exports effected by them during the three years ending 1940-41.

In addressing the Export Trade Controller on the subject the Committee stated that quantitative exports of Indian piece-goods and yarn to Java began only from the year 1940-41. Prior to this Japan was the main supplier to the Javanese markets. Consequently the exports of Indian piecegoods and yarn to Java was at its peak during the year 1941-42, and the Committee therefore considered that the corresponding shipment figures during this year should be taken into account at the time of distributing the quotas to exporters to Java.

EXPORT QUOTAS OF COTTON PIECEGOODS ON A SQUARE YARD BASIS.

In December 1945, the Export Trade Controller informed the Chamber that the Government of India were considering the question of fixing export quotas of cotton piece goods on a square yard basis instead of on a lineal yard basis. It appeared that,

apart from the advantages of the higher export prices, exporters had been anxious to obtain wide material for export, because the export quotas were in lineal yards and a greater area of cloth could be exported in the wide width than would be possible in the average trade widths. It was also probable that certain mills with exporting connections were being influenced when allocating their loomage to give preference to cloth for export produced on looms which might otherwise be available for sarees, etc. The Export Trade Controller asked for the views of the Chamber on the question.

The Committee were generally in favour of the proposal and informed the Export Trade Controller accordingly.

COTTON PIECEGOODS AND YARNS EXPORT QUOTAS.

Share of each Exporter.

In January 1945, in reply to a suggestion of the Committee that exporters of piecegoods should be informed of their permanent share of quotas as well as of the total allocation in each quarter to each country, the Joint Secretary to the Department of Commerce stated that quotas for export of cotton piecegoods and yarn were fixed on a half-yearly basis. He submitted for the confidential information of the Chamber a statement showing the quotas for the first half of 1945. (This statement was made available for inspection by members interested.) Each exporter would be able to ascertain his share of these quotas by applying to the Export Trade Controller concerned at the commencement of the half-year except in regard to certain destinations for which the ordinary procedure of export through normal trade channels had been modified. In order to enable exporters to plan ahead the Government of India also introduced a procedure according to which it was possible for an exporter to obtain advance licences to count against his share of the quotas for the following half-year, for a quantity equal to 60 per cent. of his quota for the current half-year.

The Committee in reply pointed out that the information made available was still not exactly that required by the trade, and stated that it was desirable that each exporter should be informed of the actual percentage to which he was entitled permanently. The existing system did not give the permanent percentage but only allocated at the beginning of each quarter the quantity which an exporter would be permitted to export. The Government of India were requested to examine the possibility of issuing this information.

The Government of India, however, did not consider it practicable to assign a percentage share to each exporter permanently. It was stated that the distribution of the quota

could not be based on fixed percentages for the reason that there was almost always a certain quantity available for further distribution after meeting the minimum claims of established shippers on the basis of their actual performance in 1941-42. These " balances " were distributed among a certain number of approved exporters including established shippers themselves. The Government of India added that in accordance with the procedure recommended by the Advisory Committee at Bombay the actual quantity for which each exporter was eligible for export licences was notified at the commencement of each licensing period or as soon as possible thereafter.

The Committee again addressed the Government of India and stated that they realized that balances were sometimes available for distribution but they were unable to understand that the statement made in the letter referred to above in any way prevented Government from informing an exporter what basic percentage he was entitled to, and they asked Government to re-examine the matter. The Committee were subsequently informed that the Export Trade Controller, Bombay, was being advised to communicate to each shipper, on application, the percentage which his verified exports during the basic period bore to the total exports in piecegoods during the same period.

MOVEMENT FROM UP-COUNTRY OF GOODS COVERED BY EXPORT LICENCES.

In July 1945 the Export Trade Controller, Bombay, invited the co-operation of this Chamber in dealing with applications he was receiving from exporters for assistance in the movement from up-country to Bombay of goods covered by export licences issued by himself. In dealing with such applications, due regard had to be paid to the fact that the stocks of that commodity in Bombay were insufficient to meet the export authorised by a particular ship. The Committee replied that the Chamber would be prepared to furnish such information in a general way but suggested that the Export Trade Controller should consult the various Associations connected with a particular commodity and reference should be made to the Chamber only in the case of other commodities for which no Association existed.

EXPORT OF STATIONERY TO IRAQ, BAHREIN AND ADEN.

In September 1945 at the instance of certain members the Committee drew the attention of the Chief Controller of Exports to War Notice No. 894, dated 23rd July 1945, wherein permission was given to insurance companies and others to export to their agents abroad stationery, printed forms, etc. The Committee

pointed out that this notice applied only to insurance companies with their head offices outside India. The Export Trade Controller in Bombay interpreted its wording strictly and was not prepared to regard the Bombay office as the head office for the Persian Gulf region. Consequently, as the notice stood, it was of little use to the British insurance companies established in this country, and the Committee considered it should be extended to cover this point. Representations had been made by several members of the Chamber direct to the Export Trade Controller, but no reply had so far been forthcoming, and the matter was one of urgency.

The Committee also pointed out that the basis of requirements in 1943 was unsound in certain cases. It might well happen that in the Gulf ports no stationery at all had been provided to an agency in any given year, but it had to be provided some time. Now that the paper situation was so much eased, the Committee expressed a hope that the present instructions would be reasonably interpreted.

On the 27th of September 1945 the Member for Commerce, during his visit to Bombay, at the request of the Chamber, interviewed two insurance members in connection with their applications for licences to export to their agencies in Iraq and Aden a small consignment of office stationery. At the interview the Commerce Member intimated that special consideration would be given to these two cases.

One of the members was granted the necessary licence, but the other was refused a similar licence by the Export Trade Controller. In addressing the Commerce Department of the Government of India in the matter the Committee suggested that this was a question of hardship to the firm concerned and as the quarterly total weight of stationery was only 18 pounds they requested that the case, which was one of urgency, should be reconsidered.

CONTROL OF IMPORTED PAPER.

On the 1st September 1945, the Deputy Chief Controller of Imports issued the following Public Notice No. 657:—

"It has been decided to allow imports of a limited quantity of paper and paste-board from Norway and Sweden. Regular pre-war importers of these articles from the above countries should submit their applications in the prescribed form of licences direct to the Chief Controller of Imports, New Delhi, so as to reach him before 20th September 1945. Applications should be accompanied by documentary proof of pre-war imports of paper and paste-board from Norway and Sweden and also, if possible, by evidence of availability of the goods. Separate applications should be submitted for (*a*) Printing paper, (*b*) Writing paper, (*c*) Paper, other sorts, (*d*) Packing and wrapping paper, and (*e*) Paste-board. Details of the quality of paper and paste-board desired to be imported should be given as far as possible. Applicants who intend to place orders through Agents in the United Kingdom should give the names and addresses of such Agents."

In referring to the above Notice the Committee pointed out to the Chief Controller of Imports that in the years 1936, 1937 and 1938 large supplies of all descriptions of paper manufactured in Germany were dumped on the Indian market. In the years 1940 and 1941 Norway was in occupation by Germany and trade with Sweden automatically ceased.

The Committtee suggested, therefore, that a futher clarification of the basic period should be issued.

The Chief Controller of Imports in reply stated that licences for imports of papers and paste board from Sweden/Norway would be granted on merits and not on a quota basis. The intention was that pre-war importers of the article should get preference in securing licences which were to be allowed only for a limited quantity. Applications received with the documentary evidence of imports in any of the pre-war years would be given due consideration.

SHORTAGE OF COTTON TEXTILES.

In June 1945 the Associated Chambers of Commerce of India requested the views of this Chamber on a suggestion of the Karachi Chamber that the Association should address the Government of India (*a*) requesting Government to make a close investigation in order to ascertain how much, if any, cloth from surplus Defence stocks could be handed over immediately to the Civil Supplies Department, and (*b*) urging that a larger proportion of mill production be diverted for civil requirements. It was suggested that intelligent investigation might unearth from these sources very appreciable stocks of cloth that apparently would not be used during the present period of hostilities and it was infinitely better to utilize such cloth now than to allow it to remain in cold storage (probably deteriorating rapidly under the attacks of white ants, mildew, etc.) until after the war.

The Committee informed the Associated Chambers that they considered that representations should be made to the Central Government but with certain reservations. They were not in favour of the preservation of the existing channels of distribution which had in fact, led to the existence of the black market, and did not think the transfer of existing stocks of cloth from the Defence Services to civil supply would achieve much relief unless a large quantity of stocks of cloth suitable for civil use were transferred, which in their view would not be possible at the present time. They did, however, consider, that a careful survey should be undertaken of existing stocks and outstanding orders for the Defence Department so that, if possible, looms engaged in part of this production could be used in future for civil supply.

In conclusion the Committee pointed out that a major factor affecting the existing position was the shortage of fuel, which had resulted in a marked decrease in the output of many mills. they recommended that every opportunity should be taken to improve the fuel position.

IMPORTED PIECEGOODS TRADE CONTROL.

Licences for Importers.

In February 1945 the Committee of the Chamber addressed the Provincial Textile Controller in support of a representation by the Bombay Piecegoods Native Merchants' Association on the subject of the issue of licences for importers of piecegoods in so far as they considered that there should be separate licences for importers of piecegoods as opposed to those issued to dealers in locally manufactured piecegoods.

The Committee added that they considered that when fixing the quotas of imports the importers from Japan should be included and that the quota should be based on their imports during the years 1937-40.

The Provincial Textile Controller in reply stated that the Government of India had decided that dealers selling imported cloth in Bombay should take out licences in " F " class under the Bombay Cotton Cloth Trade Regulations Order, 1945. The Committee, however, asked the Provincial Textile Controller to confirm that if dealers were engaged in trading in both Indian piecegoods and imported piecegoods, they would be granted a licence for dealing in Indian piecegoods and in addition an " F " class licence for dealing in imported piecegoods.

The Provincial Textile Controller in reply stated that no licence was required to import cotton cloth but if a person wished to deal in such imported cloth locally, the following procedure should be adopted.

If he held A or B licence he could work as distributor of imported cloth on wholesale basis, if he held a D class licence he was competent to work as agent in respect of imported cloth and if he held a C class licence he could do so on the retail basis. If he did not hold any of these licences but desired to deal in imported cloth locally, on wholesale basis or as an agent, he would require "F class licence available to deal in imported cloth" but if such a person wanted to deal in imported cloth on retail basis, he would require C class licence.

FIXATION OF PRICES OF IMPORTED CLOTH AND YARN.

Clause 4 (1) of a Notification No. T.C. 12/44 issued by the Department of Industries and Civil Supplies of the Government of India on the 14th October 1944 read as under:—

4. "The landed cost of any foreign cloth or foreign yarn shall be determined and certified by the Controller of the Province of import in accordance with the following provisions:—

(1) The landed cost of any such cloth or yarn shall ordinarily represent the cost thereof to the Importer, namely the price charged by the Exporter in the country of Origin, plus freight, Marine and War Risk Insurance charges and other charges incurred in respect of such cloth or yarn up to delivery on transit sheds at the Port of Entry, plus Customs duty. If however, there is considerable disparity between the figure thus arrived at and the current ceiling price, prescribed under the order of similar cloth or yarn of Indian manufacture or the landed cost of other similar foreign cloth or yarn, the Controller may take such disparity into account and fix landed cost at such higher or lower figure as may appear to him to be fair."

As it was not clear whether comparison was to be made between similar goods of the same origin, or if imported goods, under certain circumstances, were to be compared with goods of Indian manufacture, the Committee in July 1945, requested the Bombay Provincial Textile Controller to clarify these instructions. They contended that the latter alternative was obviously unfair.

The Bombay Provincial Textile Controller referred the matter to the Textile Commissioner who ruled that in cases of disparity of prices, the comparison should preferably be made between the foreign goods in question and similar goods of Indian manufacture.

The Committee understood that in practice no comparison was possible (at the moment in any case), as most of the piece-goods imported was of high quality. They decided therefore to defer any further action till difficulties actually arose.

IMPORT OF CONSUMER GOODS FROM THE UNITED KINGDOM.

In a *Gazette Extraordinary* dated 2nd March 1945, the Department of Commerce of the Government of India issued a notification bringing certain classes of consumer goods under Open General Licence for importation from the United Kingdom. In a Press Note the Government of India intimated that individual import licences would therefore not be required for import of the goods mentioned in the notification, but that the supply position was still difficult and importers would not be able to obtain unlimited quantities of the goods they required.

In regard to other consumer goods falling under Part IV of the Import Trade Control Schedule which had not been included

in the Open General Licence, the existing procedure for issuing licences on a quota basis would continue, but the licensing policy had been liberalised. When an applicant for a lincence for imports from the United Kingdom or other sterling area countries could produce evidence that his order had been accepted by the supplier, he would ordinarily be granted an import licence even though he might have no regular quota. There were some exceptions to this working rule, e.g., foodstuffs, licensing of which was governed by an annual Food Programme approved by the London Food Council and certain classes of goods of which definite and limited export allocations were made by the supplying countries; in these cases it was necessary to relate licensing to the programme figure.

It was expected that these developments which had been made possible by the improved war situation would go some way to satisfy the need for increased supplies of general consumer goods and to combat inflationary tendencies in the country.

LIST OF COTTON PIECEGOODS.

Annual Revision.

In October 1945, in response to an enquiry from the Director of Commercial Intelligence as to whether the Chamber had any modifications to suggest in the list of cotton piecegoods which by the usage of the trade had been recognized as piecegoods liable to assessment to import duty under item No. 48 (3) of the First Schedule to the Indian Tariff Act, 1934, the Committee suggested that "interlinings" should be added. They also recommended that scarves should be added to the heading "Sarees."

The Director of Commercial Intelligence in reply stated that as "Scarves" were at the moment assessed under item No. 49 of the Indian Customs Tariff the proposal for addition of this article to the heading "Saris" assessable under item No. 48 (3) would involve a change in the statutory heading of the Indian Customs Tariff and therefore fell outside the scope of his Department. He added that the suggestion for the inclusion of "interlinings" in the list of cotton piecegoods was under consideration.

INDIAN MERCHANDISE MARKS ACT.

Marking of Cotton Yarn and Thread.

(*See Report* 1843, *page* 108.)

On the 1st February 1945 the Government of India published a Bill which had for its object the amendment of the Indian Merchandise Marks (Amendment) Act, 1941. In the statement of objects and reasons appended to the Bill it was mentioned that

section 12 (2) of the Indian Merchandise Marks Act, 1889, as amended by the Indian Merchandise Marks (Amendment) Act, 1941, required cotton sewing and darning thread manufactured or finished in premises which were a factory under the Factories Act, 1934, to be marked with the weight of the thread in the unit, the grist number and certain other particulars. When the rules for marking of cotton sewing and darning thread, etc., under section 20 read with section 12 of the Indian Merchandise Marks Act, were published for criticism, the opinions received favoured the marking of cotton crochet and handicraft thread with the same particulars as were required in the case of cotton sewing and darning thread and also recommended that the section should be made to apply to thread manufactured in certain premises other than a factory as defined in the Factories Act, 1934. The criticisms further revealed that the terms "grist number" used in the section in respect of marking of thread was not commonly employed by manufacturers or traders in India. Provincial Governments and commercial bodies were thereupon consulted. Having regard to the opinions expressed by them it was proposed that cotton crochet and handicraft thread should be included within the scope of section 12 of the Indian Merchandise Marks Act. Further as it would handicap smaller establishments should they be required to mark their thread with the various particulars and would hamper the growth of cottage industries, it was proposed to amend the Act, so as to provide generally for the marking of cotton thread with the required particulars but to take powers to exclude cotton thread manufactured in premises deserving to be exempted. It was also proposed to amend the Act, to delete the expression "grist number" and instead to require cotton thread to be marked with such descriptions as might be specified in the rules to denote its basic count or thickness.

In replying to a reference from the European Group in the Central Legislature the Committee stated that they supported the Bill as the points raised by the sewing thread interests were all met.

The Bill was passed by the Legislature and received the assent of the Governor General on the 16th April 1945 (Act V of 1945).

TARIFF VALUATIONS.

IMPORTS.

(*See Report* 1944, *page* 136.)

In accordance with the usual practice the Director of Commercial Intelligence met representatives of the Chamber on Tuesday, 20th November 1945, and discussed with them his provisional proposals for import tariff valuations for the year 1946.

TARIFF VALUATIONS.

CESS ON EXPORTS OF CERTAIN AGRICULTURAL PRODUCE.

(*See Report* 1944, *page* 135.)

The Director of Commercial Intelligence met members of the Chamber on Saturday, 28th April 1945, and discussed with them his provisional proposals for tariff valuations for 1945-46 in respect of the commodities on which cess was leviable under the Agricultural Produce Cess Act. The new tariff valuations were published on 21st June 1945 and came into force with effect from 1st July 1945.

RAILWAYS.

VISIT TO THE CHAMBER OF THE HON'BLE SIR EDWARD BENTHALL.

(*See Report* 1944, *page* 136.)

THE HON'BLE SIR EDWARD BENTHALL, Member of the Viceroy's Executive Council for War Transport, met the Committee and the Docks and Railways Sub-Committee of the Chamber on Thursday, 26th April 1945, at 3 p.m. and informally discussed the following subjects with them:

(i) Supply of goods wagons, coaching stock and tank wagons.
(ii) Country craft traffic.
(iii) Movement of cotton by rail.
(iv) Lighting of trains.
(v) Pooling of wagons by the Kathiawar Railways.
(vi) Veeramgaum Customs Cordon.
(vii) Road-rail co-ordination.
(viii) Improved amenities for third class passengers.

He again met the Committee of the Chamber on Tuesday, 10th July 1945, at 12 o'clock (noon) and informally discussed the following subjects with them:—

(i) Special petrol ration to civilians on key leave in the United Kingdom;
(ii) Congestion on the South Indian Railway;
(iii) Movement of oilseeds from and around Raipur to Bombay;
(iv) Supply of tank wagons.

Sir Edward again met the Committee on Wednesday, 14th November 1945, at 3 p.m., and had an informal discussion on matters pertaining to railway transport in India.

POST-WAR AMENITIES FOR THIRD CLASS PASSENGERS

(*See Report* 1944, *page* 137.)

In May 1945 the Chamber's representative on the G.I.P. Railway Local Advisory Committee, submitted for the Com-

mittee's views the following memorandum received from the Railway Board regarding amenities for third class passengers in the postwar period.

1. The amenities for third class passengers during the postwar period that are under the consideration of the Railway Department may be divided into:—

(*a*) amenities at stations, and
(*b*) amenities in trains.

2. As regards (a), plans for amenities at stations include:—

(i) More commodious waiting halls with increased seating facilities.
(ii) More booking offices at the larger stations, with separate windows for ladies.

(iii) The provision of high level and covered platforms and foot bridges or subways where these are considered necessary and can be justified.

(v) Suitable washing and bathing places at large stations.

3. In regard to (*b*), the following improvements are proposed in third class carriages being designed for the post-war period:—

(i) 70 to 75 passengers to be carried in each coach instead of 96 as at present;

(ii) provision of a latrine for every 12 passengers;
(iii) transverse seating arrangements instead of longitudinal;
(iv) the width of each seat to be increased to 20″ or 21″ (present second class standard is 21″)—and the depth increased to about 19″. The width of the passage between seats will also be increased to a minimum of 21″;

(v) increased sleeping accommodation by providing two or three tiers of bunks.

4. Criticisms of existing arrangements at stations, in connection with the supply of drinking water, vendors' stalls and refreshments offered for third class passengers, indicate that improvements in respect of these items should also be considered. The lighting and ventilation in third class coaches as well as the provision of washing places, separate from latrines, have also been put forward.

The Committee replied that they had no special representation to make on the subject, but in principle they regarded the suggested amenities as being highly desirable.

VENTILATION OF MULTIPLE UNIT RAILWAY CARRIAGES.

In November 1945 the Chamber's representative on the G.I.P. Railway Local Advisory Committee requested the views of the Chamber on a proposal of the Railway to provide a system of forced ventilation in the carriages of the new multiple unit to be used between Victoria Terminus and Kalyan. A necessary feature of the scheme was that all windows would be fixed in a closed position so that all air entering the carriage would be forced by electric blowers through ducts running under the roofs of the carriages escape ways being provided near the floor under the seats.

The Committee informed the Chamber's representative that the proposed innovation met with their approval as an experiment, but as an experiment only. They thought it would be a mistaken policy to construct many such carriages without in the first place trying out the scheme on an experimental basis.

RAILWAY LORRY SERVICE FOR PARCELS TRAFFIC FROM BOMBAY TO POONA.

In February 1945 the G.I.P. Railway commenced operating a road lorry service from Bombay, Victoria Terminus to Poona for the conveyance of parcels traffic. All descriptions of parcels traffic were carried from Bombay to Poona by this service with the following exceptions:—

(*a*) Explosives, Arms and Ammunitions, inflammable articles and other dangerous goods;

(*b*) All oils including ghee and offensive goods;

(*c*) Newspapers, perishables, films, excepted and insured articles and contraband goods;

(*d*) Traffic offering loose or in bulk;

(*e*) Carriages on or not on their wheels, palanquins, Dhoolies, Howdahs, Canoes, boats, perambulators, rickshaws, all types of cycles, etc. and poultry;

(*f*) Motor cars;

(*g*) Passengers' luggage;

(*h*) Livestock.

(*i*) Packages weighing more than 5 maunds or exceeding 20 c. feet in volume or 10 feet in length.

RAILWAY CLASSIFICATION OF GOODS.

AMENDMENTS IN RESPECT OF CERTAIN COMMODITIES.

(*See Report* 1944, *page* 139.)

During the year under review the Chamber was asked by the Indian Railway Conference Association for its views in regard to various proposals which were put up for discussion at the meetings of the Commercial Committee in connection with the amendment of the General Classification of Goods. After consulting the Docks & Railways Sub-Committee in each case, the Committee approved most of the proposals and except in the cases mentioned below, offered no comments:—

Tin Bar Cropends (April 1945)—In connection with a proposal of the B. & A. Railway that Tin Bar Cropends should be classified under 2 R.R. and indexed under the head "Iron or Steel Division B." The Committee informed the Indian Railway Conference Association that they understood that on English Railways Cropends were charged as scrap. They considered the same practice should be followed in India. In that case Cropends should be indexed under "Iron or Steel—Division C. 2, *i.e.*, .38 pies per maund per mile."

Suwa Seeds (June 1945)—The Committee informed the Indian Railway Conference Association that in their view as Suwa seeds were mainly used for medicinal purposes they should be classified as " Drugs, Crude or Raw, n.o.c," 4 R.R.

Sanitary Towels (October 1945)—The Committee informed the Indian Railway Conference Association that in their opinion Sanitary Towels should be classified as " Toilet Requisites, n.o.c." and charged at 6 R.R.

Jute Yarn (November 1945)—The Committee informed the Indian Railway Conference Association that the proposed raising of the basis of charge for jute yarn by placing it in the same category as cotton, wool and other yarns was not justified.

Oil Dressed Fabrics and Anti-Gas Fabrics (November 1945)—The Indian Railway Conference Association requested the views of the Chamber on a recommendation of H.E.H. the Nizam's State Railway that " Oil Dressed Fabrics " and " Anti-Gas Fabrics " should be classified 9 R.R., 8 O.R., under " Miscellaneous Dangerous Goods," Schedule V of Red Tariff No.15 of 1942, provided they were packed in metal drums, and that they might also be carried in bags in covered iron vehicles in full wagon load, but they must not be carried in the brake van or mixed train.

After consulting the Docks & Railways Sub-Committee, the Committee informed the Indian Railway Conference Association that in their opinion oil dressed fabrics and anti-gas fabrics should be classified as water-proof goods chargeable at 6 R.R.

RAILWAY POST-WAR RATING POLICY.

In March 1945 the Chamber's representative on the G.I.P. Railway Advisory Committee requested the views of the Chamber on a resolution passed by the Indian Railway Conference Association regarding the post-war rating policy of Railways. The Committee were of the view that the existing rating system was very complicated and anything that could be done to simplify it was a move in the right direction. They therefore approved of the suggestions. The Committee, however, enquired if the Railways were confident that the telescopic rating system would enable them to compete with road transport on short hauls. It was also presumed that commercial interests would in due course be consulted regarding the classifications before it was brought into force.

The points raised above were discussed at a meeting of the G.I.P. Railway Local Advisory Committee held on the 19th April 1945, when it was explained that no system of telescopic

class rates or any other scheme of rates could in all circumstances secure traffic in competition with motor transport over short distances, but the proposals would be as effective as any other in this respect; if it was found that traffic was being diverted from the railways, the latter would still be able to quote special rates when necessary to meet motor competition. It was added that any proposals would probably be put before the Central Advisory Committee for Railways and as there was no representative of commercial interests on this Committee it was suggested that before any definite rating policy was agreed to either by the Indian Railway Conference Association or the Railway Board, the views of the Associated Chambers of Commerce and the Federation of Indian Chambers should be obtained. The Chairman agreed to put this up to the Railway Board.

The Chamber's representative on the Advisory Committee also expressed a hope that the final rates decided upon would not adversely affect the established trade of any place, such as Karachi. The Chairman said that in working out the telescopic class rates it was intended to take due regard to the movements of normal traffic and that if any difficulty arose of the nature mentioned he was sure that the rating scheme proposed would be sufficiently flexible to allow it to be adopted to meet the situation satisfactorily.

For purposes of record a note summarising the proposals of the Indian Railway Conference Association will be printed in full in the Appendices to this Report.

CLAIMS AGAINST RAILWAYS IN RESPECT OF LOST OR DAMAGED GOODS.

(*See Report* 1944, *page* 136.)

In July 1945 the attention of the Chamber was drawn to a standard form evolved by the Bengal Chamber of Commerce and accepted by their constituent members in the matter of preferment of claims against the Railway serving Calcutta. It was suggested that claimants against the Indian Railways for lost or damaged goods were sometimes in the unenviable position of having to press their genuine claims against the Railways concerned over long periods of time and that on occasions the Railways, after considerable correspondence, asked for many particulars of the claims and particulars of previous correspondence covering such claims, in spite of the fact that claimants had diligently followed up their claims against such Railways. The common plea was that correspondence had either not been received or having been so received, was untraceable on the files of the Railway concerned. Certain of these claims in spite of diligent prosecution had been rejected on the plea of limitation or some technical grounds.

The Committee in addressing the G.I.P., B.B. & C.I., Bombay Port Trust and M. & S.M. Railways on the subject submitted the underquoted form which they considered would minimise correspondence and at the same time would give the Railways all the required particulars. The Committee enquired whether the Railways had any objections to raise against the use of this form by the Chamber's constituents.

Specimen Form.

From : Ref. No._____

Full Address Date_____

To

The Claims Officer,

_____Railway.

Please receive and acknowledge my representation in regard to the following consignment.

In this connection, see correspondence ending with my letter No._____ dated_____ and your letter No._____ dated_____ emanating from (Designation of Railway Office)_____

$\frac{\text{Inv.}}{\text{P.W.B.}}$ No._____ Railway Receipt No._____

Ry. Mark No..... Date.....

From ..... To..... Via.....

Commodity.....No. of packages.....Weight.....

Wagon No. and Owing Rly. (in case of wagon loads).....

Particulars of Complaints_____

Full particulars in case of shortage or damage with copy of short or damage certificate when available. _____

Amount of claim showing how calculated with original Beejuck or Sale Invoice and its English translation. _____

Letter of authority in support of title to receive compensation enclosed herewith (if applicant is not sender, consignee or endorsed consignee). _____

It is noted that in the event of the claim being admitted payment is ordinarily made by Money Order at Payee's expense and cheques for Rs. 10 or over crossed "to order" are issued only when requested. I desire that any claim paid to me will be remitted by $\frac{\text{Money Order}}{\text{Cheque.}}$

Signature.

In each case the Railways expressed their agreement to the use of the standard form, except that the B.B. & C.I. Railway stated that in their case the letter should be addressed to the Chief Traffic Manager and not to the Claims Officer, and that the last paragraph should be amended to " Payment by cash orders on the destination station."

RAIL-ROAD CO-ORDINATION SCHEME.

(*See Report* 1944, *page* 143.)

The Government of Bombay, in a Press note on the 14th June 1945, announced the principles of their Rail-Road Co-ordination Scheme. According to this scheme, the Province was to be divided into 11 zones. In each zone the shares were divided between the Provincial Government, the Railway, the promoters of the zone company and operators in the zones as follows: Provincial Government, 35 per cent., Railway, 30 per cent., Promoters, 10 per cent. and Operators, 25 per cent.

In a further Press note on the 4th October 1945 it was mentioned that most operators from all the zones offered promoters from amongst themselves and the Government accepted the promoters offered by the operators in seven zones. Schemes for promotion in two further zones were before the Government for sanction.

In five of the seven schemes sanctioned there was complete unanimity amongst the operators in the choice of promoters. In the case of the other two schemes which had been sanctioned the majority of operators had selected the promoters.

It was added that it was expected that the floating of the companies would take some little time, as articles of association had to be framed for all the zone companies; vehicles had to be valued by committees, which were being set up; and the approval of the Railway Board had to be obtained.

POSTS AND TELEGRAPHS.

Abuse of Censorship.

In April 1945, the Associated Chambers of Commerce of India enquired whether this Chamber was in favour of the Government of India being addressed in regard to the practice of Government tapping letters to and from commercial firms and passing on any information thus obtained to the Department of Government interested.

In reply the Committee stated that they were not in a position to furnish examples of the abuse mentioned but they had little doubt that commercial letters were examined by the Censors and information extracted. The matter was taken up unofficially with Government by the Chamber's representative in the Council of State some two years ago but entirely without effect. Government argued that in war-time they must have access to all useful information and that they only were in a position to say what information was or was not connected with the war. The Committee did not think, therefore, that there was anything to be gained by raising the matter again. They did not feel that the Associated Chambers would be justified in urging in principle that censorship of commercial letters during a period of war should be abolished and the question of degree as to the extent this censorship should be exercised was not one which it was possible to control.

The Chamber was subsequently informed that the Associated Chambers had addressed the Government of India in the matter.

MUTILATIONS IN INLAND TELEGRAMS.

In view of complaints received from several members in regard to the frequent receipt of telegrams which had been mutilated in transmission or the handwriting of which was illegible, the Committee addressed the Postmaster-General, Bombay in October 1945, in the matter and pointed out that this had resulted in delay by the firms having to have the message referred back for confirmation or correction. While appreciating the difficult conditions under which the Telegraph Services had been working for the past few years, it seemed to the Committee that the time had come when an improvement might reasonably be effected and they requested the Postmaster-General to take such action as he considered expedient.

The Postmaster-General, in reply, stated that necessary steps were being taken with a view to bringing about the desired improvement.

SEA MAILS TO AND FROM THE UNITED KINGDOM.

At the end of August 1945 the Associated Chambers of Commerce of India intimated that at the instance of the Madras Chamber the President of the Association had been in correspondence with the representative in Calcutta of the Ministry of War Transport and the Acting Director-General of Posts and

Telegraphs concerning the steps taken to expedite the transport of sea mails. It was thought that the delays which had been experienced might be due to mails being confined in transport to certain steamer lines but His Majesty's Governments representative had stated that mails to and from the U.K. were carried by both hired transport and commercial vessels irrespective of mail contracts. He further went on to say that on account of the increased volume of sea mail it was not possible to stow it in special mail rooms as was the pre-war custom and on occasions, due to this and other factors, the discharge had been delayed after the arrival of the carrying vessel in port. Shipping Agents were fully alive to the necessity of arranging for the quickest possible discharge of mails and an improvement should, it was thought, become apparent with the easing of the Port congestion at Bombay.

The President thought that some appreciation should be gained of the steps taken by the Posts and Telegraphs Department in this country to handle sea mails in an expeditious manner; for it was still essential for the business community to have recourse to that mode of transit. The matter was raised in a demi-official way with Mr. Krishna Prasada and the results of a detailed investigation were contained in a letter dated 23rd August which the President had received and which read as follows :—

"I have since received a detailed report from the Superintendent of Foreign Post, Bombay, and have satisfied myself that hardly any avoidable delay occurs in India in the disposal of foreign mails.

The position is that during the war we have had to make use of every available steamer for the transmission of mails between India and United Kingdom. As only a very few of the steamers are provided like the boats of the P. & O. and B.I.S.N. with special mail rooms, the time taken for the discharge of mails depends on—

(*a*) How the mails are stowed *vis-a-vis* other cargo.

(*b*) Whether the steamer is berthed in the dock or in the stream.

(*c*) Nature of the cargo, e.g., explosives, etc.

Every effort is made to secure as speedy a discharge as circumstances in each case permit, and the mails are passed through the Censors without any avoidable detention. On their release from the Censors, special staff is employed on overtime to sort them out for onwards transmissions the same day.

I may add that at the moment there are about five services a month and the average transit time is between 3 and 4 weeks. I have no doubt that with the cessation of war and termination of Censorship, there will be an appreciable improvement in the present position. I need not assure you that I am fully alive to the importance to the business community of the quickest possible transmission of overseas mails. I am grateful to you for drawing my special attention to the matter."

AIR MAIL SERVICE BETWEEN INDIA AND THE UNITED KINGDOM.

On the 19th September 1945 the Committee addressed the Director General of Posts and Telegraphs drawing his attention to the need for improvement in the civilian air mail services between India and the United Kingdom. The Committee pointed out that ten days or more for the transit of air letters was the rule rather than the exception and delays previously caused by censorship regulations should now no longer be necessary. In view of the reports of passengers that the transit time between Karachi and the United Kingdom was being rapidly curtailed and was frequently somewhere about 48 hours, the Committee requested that every endeavour should be made to obtain delivery on the sixth or seventh day from the date of posting.

The Director-General replied that according to the records maintained in his office, the transit time of air mails between India and the United Kingdom was, on the average, 4 to 5 days from Karachi to London and *vice versa*. Allowing for some additional time for internal transmission of these mails within the two countries, the total transit time should ordinarily be, in respect of letters exchanged between large towns on the main trunk routes, from 6 to 8 days.

On the 5th December 1945 the Committee again addressed the Director General of Posts and Telegraphs, drawing attention to the fact that air mail from the United Kingdom was frequently taking 13 to 14 days to reach Bombay. As air letters usually arrived in 7 days or so, this was presumably not due to delay in air transit. It might be that air letters were quicker because the stamps and weight did not have to be checked as in the case of airmail or because they got the benefit of an Army priority; but it appeared reasonable to request that the more costly airmail should be dealt with at least as expeditiously as the cheaper air letter. An airmail despatched in the last week of September actually took a month to reach Bombay; this was doubtless the result of a mistake in despatching a bag by sea instead of by air, but it appeared to suggest that the Postal Authorities in the United Kingdom did not treat air mail with due care.

It was pointed out that air letter forms available at the moment in Bombay were made from very bad paper and were unstamped. Previously a form with printed stamp and made of good paper was on sale and the Committee enquired why it had been discontinued.

They suggested that an air mail envelope with a printed 14 anna stamp should be made available, that is, provided the existing rate was likely to remain in force for some time. There had undoubtedly been cases of the destruction of letters by

postal peons for the sake of the stamps and, although it was not suggested that this happened at all frequently, there seemed to be no reason why the possibility should not be eliminated.

AIR MAIL SERVICE BETWEEN INDIA AND AUSTRALIA AND NEW ZEALAND.

In July 1945 the Chamber addressed the Posts and Telegraphs Department of the Government of India and pointed out that at the moment correspondence by air to Australia and New Zealand was confined to air letters and airgraphs. While this was sufficient for ordinary day-to-day correspondence, as long as there was no air mail, the development of trade between India, Australia and New Zealand was being considerably hampered.

Taking, for instance, the question of samples, importers on either hand had to wait many months before they received samples of the goods which exporters in the other country were anxious to offer. Such delays often meant that the business went elsewhere. A good deal of inconvenience was also experienced by importers on either hand who did not receive their invoices and shipping documents until after the ship had arrived. While it was true that copies could be typed and sent by air letter or airgraph, considerable inconvenience was caused both to the exporter and importer by this method.

Air mail was being carried from India to England and as a new " Lancastrian Service " was being started from Sydney to London in addition to the " Catalina " and " Liberator " Services between Colombo and Perth, it did appear reasonable that the air mail service between this country and Australia and New Zealand might be re-introduced.

The Committee expressed a hope that the Government of India would give the question their favourable consideration and take all possible action to introduce an air mail service to Australia and New Zealand at an early date.

The Director General in reply stated that the matter had been very carefully considered in consultation with the authorities concerned but it had been found that the capacity position on the aircraft at the moment precluded the carriage of public air mails to Australia and New Zealand. The Director General therefore regretted that he was not in a position to establish the ordinary air mail service from India to these countries.

He added that there was no air mail service to the two countries from the United Kingdom as well. The matter was however being kept under close review and the service would be established as early as possible.

SHIPPING.

REFUNDS OF INDIAN COAST LIGHT DUES.

In February 1945 the Associated Chambers of Commerce of India requested the views of this Chamber in regard to the question of refund of Indian Coast Light Dues in cases where duplicate demands had been made by the Customs Authorities but the claim for refund had not been made within the period of six months from the date of payment. In a case brought to notice by the Karachi Chamber, the personal deposit account of a firm of steamer agents was debited twice with the Coast Light Dues payable in respect of a certain steamer and the error was discovered only when the accounts of the vessel were finally closed some months later.

Section 19 of the Indian Lighthouses Act, 1927, read as follows :

" Where light dues have been paid in respect of any ship in excess of the amount payable under this Act, no claim to refund of such excess payment shall be admissible unless it is made within six months from the date of each payment."

The Karachi Chamber submitted that the term " excess payments " should not include " double " payments made under an erroneous demand by the Customs Department. Moreover, the claim for refund was made within three days from the end of the period of six months stipulated. The Government of India, to whom the Collector of Customs had referred the matter, had also refused to grant a refund.

The Committee informed the Associated Chambers that they agreed that the representation of the Karachi Chamber should receive the support of the Associated Chambers and pointed out that various shipping interests represented by the Bombay Chamber claimed to have had similar experience as that mentioned by the Karachi Chamber in regard to refunds of double payments of Indian Coast Light dues. The Committee considered that the amendment of section 19 should be pressed for in order to allow discretion to the local Collector of Customs to admit refunds applied for after six months in cases where they should be allowed in common fairness. The Committee added that it should be pointed out that the Customs demand for payment a second time was illegal, *vide* section 10, which read as follows :

" Providing that if light dues have been paid in accordance with the provisions of this Act, in respect of any ship no further dues shall become payable in respect of that ship for a period of 30 days from the date on which the dues so paid become payable."

COUNTRY CRAFT ORGANISATION ON THE WEST COAST OF INDIA.

(*See Report* 1944, *page* 144.)

It was recorded in the Chamber's Report for 1944, that the Chamber had addressed the Commerce Department of the Government of India urging that early arrangements should be made for the certification of country craft. At the same time the Department of War Transport of the Government of India was informed that in the opinion of the Chamber it should not be one of the duties of the selected agents to arrange for insurance as was contemplated under the route scheme for country craft inaugurated by the Department. In March 1945, the War Transport Department informed the Chamber that the survey of country craft in respect of seaworthiness, however desirable, was quite impracticable as no rules regulating either their construction or the depth of loading existed and it was also impossible to secure the large technical staff that would have to be employed to examine the thousands of craft which were plying on the coast. Government added, however, that under the "Route Scheme" for country craft traffic no craft could be hired except through Route Agents appointed by the Controller of Indian Shipping; and although these agents could not be made directly responsible for the seaworthiness and safe loading of country craft, they could in many ways assist in seeing that country craft plying on their routes were safely loaded and in good condition. All Route Agents had been requested to co-operate in this respect and asked to obtain technical advice when necessary from the Principal Officers of the Mercantile Marine Department at Karachi and Bombay and the Port Officers at Cochin, Mangalore, Calicut and Tuticorin.

As regards arrangements for insurance of cargo, Government stated that the duties of Route Agents as originally defined had since been modified in consultation with the Route Agents themselves, and that agents were now only required to arrange for insurance if so requested by the shipper. The revised list of the duties of Route Agents was as follows :—

(1) to secure craft and transport cargo at the rates fixed;

(2) to see that the craft-owner provides sufficient protection against the weather to the cargo on the voyage;

(3) to be responsible for ensuring that compensation due against pilferage of goods on board is recovered from the craft owner and paid to the shipper up to the amount of the freight retained by the Route Agent.

(4) to make arrangements as far as possible to provide storage accommodation and labour at reasonable cost if requested to do so by the shipper or the consignee;

(5) to appoint suitable agencies to handle the traffic at the port of delivery;

(6) to arrange for insurance if requested to do so by the shipper;

(7) to take all reasonable precautions to see that only seaworthy craft are used and that they are not overloaded ; and

(8) to comply with priority instructions issued by the Controller of Indian Shipping, Country Craft Organisation Officer or Assistant Country Craft Organisation Officer who will be advised by the P.S.T.O. from time to time regarding the priority to be afforded to the movement of military stores.

COMPLAINTS AGAINST INDIAN SHIPPERS.

Towards the end of June 1945 the Director of Commercial Intelligence informed the Chamber that complaints from importers abroad were often received by his department against Indian shippers for bad quality or short weight of goods supplied on the basis of fixed letter of credit and in consequence an impression was gaining at the other end that financing imports from India on this basis was fundamentally unsound, since under it the overseas buyer had no real control over the shipment or the shipper. It was stated that the overseas buyers very often failed to obtain satisfactory settlement of their claims in case the Indian shippers skimped on quality when prices were rising or in case of a sudden cessation of trade. It had accordingly been suggested that the only feasible way to secure protection against such difficulties was to employ a guarantee broker resident in India to assure the quality and quantity of shipment and it was argued that although the cost of transacting business through a guarantee broker was greater than direct purchases from Indian shippers, using a letter of credit, there would be a saving in the long run to overseas importers under this method. The Director requested the comments of the Chamber on the statement of the position given above together with its reactions to the proposed change-over from the fixed letter of credit system to the " through guarantee broker " system.

The Committee in reply stated that in so far as importing firms knew the risks they ran when putting up confirmed letters of credit they should confine their purchases to reputable firms who would themselves perform the functions of guarantee brokers. In past years buyers had only themselves to blame when a satisfactory settlement of claims could not be obtained if they had made purchases through less reputable firms at cut prices.

The Committee pointed out that should, however, a guarantee broker be employed, an adequate cash deposit should be secured to ensure his reliability. In addition, it should be borne in mind that the employment of guarantee brokers would add to the cost of Indian exports.

CLAUSING OF BILLS OF LADING.

Shipments of Piecegoods to New Zealand.

It was brought to the notice of the Chamber by certain Insurance Companies in November 1945 that the steamship company carrying goods to Australia with transhipment at Australian ports had notified shippers of piecegoods to New Zealand that the condition of baled piecegoods had been found unsatisfactory at the port of transhipment when placed on board the oncarrying vessel and as a result the oncarrier had to clause mates receipts and bills of lading "insufficient packing" thus throwing the responsibility for the condition of the goods back on the original carrier. The report of surveyors stated that some bales were found to have only single hessian covers and no inner lining of hessian or paper while others had hessian or paper linings and that stitching generally was below fair and wrappers chafed thin. When the goods were received by the steamer agents in Bombay they were in seemingly good condition but experience had made it evident that the packing, which it was believed to be standard, was inadequate to stand the additional handling arising from transhipment.

For this reason the Company felt themselves compelled to request shippers to see that their packing of piecegoods for New Zealand was considerably more substantial than heretofore and they invited the views of shippers as to which of the following alternatives would be the lesser inconvenience to them until such time as the Company could be assured from experience that the packing of piecegoods was adequate to stand transhipment in Australia for New Zealand.

(a) For the Company to issue clean Bills of Lading (when the goods were accepted in Bombay in apparently sound condition) to direct ports of discharge only. In other words, leaving consignees to make their own arrangements for oncarriage

or

(b) For the Company to continue issuing through Bills of Lading but with an overriding general clause freeing them from responsibility as follows:

"Packing deemed to be of insufficient strength to withstand extra handling involved during transhipment."

The Insurance Companies stated that it might be true that there had been damage to baled piecegoods insufficiently packed due to rough handling at Australian ports of transhipment but they maintained that the method of packing employed by the shippers who insured with them had been proved by experience to be equal to the handling it received during transhipment. This was borne out by the fact that claims for such damage had

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been few and far between. The details of the packing used were as follows :

1 layer of chattai

1 layer of waterproof " English " Hessian

1 layer of canvas 11 ounces.

Four wooden ribs were placed in the four corners of the bales and the hoop-iron was painted with red lead. The bales were fully pressed.

The Insurance Companies added that if, as it seemed to be the case, the steamship company intended to clause all their Bills of Lading, irrespective of packing, with the clause mentioned they considered this a practice much to be deprecated and one which they sought the Chamber's support to eradicate. In the face of such a clause underwriters would not be liable for theft, pilferage or hook damage and it seemed greatly unfair on the part of the steamship company to place shippers who were using adequate packing in this position.

After careful consideration the Committee informed the Insurance Companies that because of the persistent clausing of Mates Receipts in reference to the poor condition of packing by vessels oncarrying from Australia to New Zealand, the steamer company in Bombay had been reluctantly compelled to safeguard themselves but had endeavoured to meet shippers by giving them the option of shipping on through Bills of Lading to New Zealand with a protection clause or of shipping to Australia without any protection clause. In the latter case the shipper had to make his own arrangements for oncarriage to New Zealand. The Committee suggested therefore that shippers should accept the latter alternative or that the Insurance Companies should take up the matter direct with the oncarrying company, the Union Steamship Company of New Zealand.

PORT OF BOMBAY.

EXPLOSION IN THE DOCKS.

RECONSTRUCTION OF BUILDINGS AND GODOWNS AFFECTED BY THE FIRE AND EXPLOSIONS.

(*See Report* 1944, *page* 156.)

In May 1945 the Bombay Port Trust informed the Chamber that the Trustees had been considering for some time various proposals for the layout of their Elphinstone Estate, i.e., the area between Frere Road and the G.I.P. Railway lines, which

was affected by the fires and explosions of 14th April, 1944, and had been included in the Town Planning Act, which would apply to the whole of the devastated area west of Frere Road.

In this connection the following two alternative proposals had been made :—

(*a*) The existing system should continue under which the sites were let on long leases to private parties who determined the type of buildings to be erected and the use to which they were to be put, subject to such rules and regulations as might be made by the Municipality and the Port Trust. The development of the Estate would be largely left to private enterprise.

(*b*) The Port Trust should resume possession of the entire area and should itself undertake the development of the area. It was urged that the Port Trust, which is a public utility concern would be in a better position to develop the area fully and properly on modern lines for the benefit of the public and the trade.

The Port Trust requested the Chamber's views on the issues raised.

The Committee favoured alternative (*b*), and in informing the Port Trust to this effect they made it quite clear that in supporting the adoption of this proposal it in no way altered their opinion that during the present emergency and for the period which must of necessity intervene before the larger scheme could be put into operation, the area should be made available to trade and commerce to be used to the best advantage for storage purposes. Every assistance should be given to trade and commerce in connection with the erection of temporary buildings and structures.

PORT OF BOMBAY FIRE ORDERS.

In the *Gazette of India* dated 9th June 1945, Part 1, Section 1, page 723, the War Transport Department published the Port of Bombay Fire Orders.

The Committee of the Chamber offered the following comments :—

It was observed that no responsibility was placed on any party or individual to give warning at the outbreak of fire in phases I, II or III, to those persons responsible for the discharge of Oil Tankers at the Dock Wall or in the Docks, or those in charge of bunkering oil fuel for delivery to ships in the Docks or at the Dock Wall. It was considered that experience had shown this to be essential, and the Committee suggested that the necessary amendments should be made after discussion with the Oil Companies.

In paragraph 17/5, it was stated that the evacuation signal would be given by the continuous sounding of a steady note for two minutes by sirens. The Committee were aware that it was

the custom in Bombay for steamers to blow their sirens for some length of time when testing them. It was considered, therefore, that the blowing of a two minutes signal in a steady blast would be confusing, and it was suggested that this should be changed to short blasts for two minutes which would not be confused with the testing of sirens.

The Committee could not trace a reference to the responsibility on any official to warn persons who resided or worked a short distance outside the Dock area of the existence of phases II or III.

HANDLING OF DANGEROUS CARGO IN THE PORT OF BOMBAY.

(*See Report*, 1944, *page* 151.)

In response to an enquiry the Bombay Port Trust informed the Chamber in October 1944 that the handling of dangerous cargo was still regulated by the notification and rules issued by the Government of India for the purpose under the Defence of India Act. The Committee also understood that cargoes of explosives were still being handled in the Bombay Docks.

In addressing the Defence Department of the Government of India on the subject the Committee pointed out that the Government of India scheme for War Risk insurance of goods and premises had lapsed, and these two facts were a matter of considerable concern to those who had property and employed personnel in the vicinity of the docks. Furthermore, a considerable volume of passenger traffic (including a number of women and children) was being handled in these same docks.

It was, therefore, urged that :

(*a*) While the normal peace-time rules relating to handling of explosives in the Port of Bombay continued to be in abeyance, the Government War Risk insurance schemes should still hold to cover the risks involved, from the ample funds still retained under these schemes.

(*b*) An early decision should be taken to revert to the normal rules for handling explosives in the Port of Bombay, and where, it was suggested, all high explosives should be handled in the stream and landed or loaded from the Bunders near Trombay where there was a Branch line connection to the G.I.P. Broad gauge system via Kurla, which did not involve the use of the Bombay Docks.

It was urged particularly that a time limit should be placed on the further handling of explosives in the Docks, at the end of this year, at the latest.

PROPOSALS FOR MODERNISING VICTORIA AND PRINCE'S DOCKS.

In December 1945, the Bombay Port Trust requested the views of the Chamber on a joint report by Mr. G. E. Bennett, Consulting Engineer, and Mr. G. E. Terry, Chief Engineer of the Trust on the possibility of increasing the depth of water in Prince's and Victoria Docks so as to permit deeper draft vessels to use the Docks and to dock and undock throughout the day. The scheme involved (i) the provision of a lock for the Princes and Victoria Docks and the extension of the Frere Basin to accommodate the trade displaced from Carnac Basin and Mody Bunder (ii) the resiting of the Ferry Wharf and (iii) the provision of three oil berths on the face of the dam to be constructed opposite to the entrance to the Dock. The estimated cost of the complete scheme, based on pre-war costs, was Rs. 2,39,52,000.

The Committee in reply stated that they were generally in favour of the proposal but on the condition only that the Port charges in Bombay, which were already high, should not be enhanced if the scheme was accepted.

The Committee expressed a hope that if the scheme was proceeded with, the shore facilities such as cranes, storage, etc., will be thoroughly modernised.

PORT DEVELOPMENT IN INDIA.

In December 1945, the Government of India, War Transport Department, forwarded to the Chamber for comment a copy of the Report of an inter-Departmental Committee that had been appointed to report on :

(*a*) the present capacity of India's major ports as compared with their capacity in 1942 ;

(*b*) whether the present capacity of these ports will be adequate in the years immediately succeeding the termination of the war against Japan ;

(*c*) the need for other large or moderately large ports for dealing with India's overseas trade requirements.

The main conclusions of the Committee were (a) that the capacity of the ports had been increased during the war and that the ports would be able to handle the estimated peace-time traffic offering during the five years or so succeeding the cessation of hostilities with Japan (b) that more deep sea ports might be needed on the coast of India to meet anticipated expansion of trade, and in particular one of easy access to large ships on the East Coast ; but the figures of expected trade did not by themselves justify more ports. These requirements could be met either by expansion of present ports or by development of new ports,

location depending on the industrial plan. If and when new ports were planned they should be developed in the first place as minor ports, mainly for the use of coastal traffic, before being laid out to meet the demands of large-scale overseas trade.

The Departmental Committee recommended that the question of improving the statistical information on port traffic should be taken up by the appropriate departments of the Government of India as they considered the present method of recording statistics to be incomplete.

The Committee of the Chamber in reply stated that they were in substantial agreement with the findings of the Departmental Committee that there was no need for additional major ports in India for a number of years to come, and on the question of the enlargement of existing ports they considered that although improvements were likely to be made in the speed and internal arrangements of ships, their dimensions were not likely to undergo any considerable change. Furthermore, the draught restrictions in Calcutta imposed limitations on coastal shipping which had a large bearing on the depths required for a great portion of the shipping at other ports.

The Committee were further of the view that the handling facilities at the various ports, such as cranes, storage capacity, etc., were in need of considerable improvement and that railway facilities serving these ports also required reorganisation.

They also drew attention to the remarks made in the report regarding bulk petroleum, section 4 (b). This stated that bulk petroleum had been omitted in the statement of requirements, as the port facilities for dealing with this commodity were quite separate from general port facilities. This statement in their view was incorrect. Admittedly the handling of spirit cargoes was carried out normally at special berths, usually a good distance away from berths which were employed for the handling of general cargo but this did not apply to Fuel Oils, the handling of which was bound up intimately with the general working of the port. Not only did Black Oil tankers normally use the same berths, or adjacent berths, to those employed for general cargo, but the pipeline systems used for discharging Black Oil cargoes were also used for bunkering ships. It was clear, therefore, that the handling of Fuel Oil in bulk should always be considered in relation to general port facilities.

The Committee favoured the suggestion of developing the minor ports established along India's coast line, more particularly on the East Coast.

In conclusion the Committee stated that they regarded the question of statistical information as one of the greatest impor-

tance and a matter that should be taken up seriously by Government, since without complete statistics of port trade, ships and cargoes, it was impossible for any port authority to prepare adequate schemes to provide for the future trend of trade and shipping.

PORT DEVELOPMENT IN INDIA.

ASSOCIATED CHAMBERS' REPRESENTATIVE ON TECHNICAL COMMITTEE.

The Inter-Departmental Port Development Committee set up by the Government of India made certain suggestions in connection with the need for additional ports for dealing with India's post-war overseas trade requirements. In December 1945 the Government of India informed the Associated Chambers of Commerce of India that it had been decided to set up a technical committee to investigate fully these suggestions. Several proposals had been put forward for the development of some of the lesser ports all round India, and it was proposed that the technical committee to be set up should consider these and other proposals so that Government might be in a position to review the question of port development for India as a whole and to give authoritative advice to the Provinces and States concerned in each case.

Investigation of the question of a deep-sea port of easy access to large ships on the East coast would be the main function of the Committee.

The following terms of reference had been suggested but had not been finally decided :—

(*a*) whether a sheltered deep-sea port on the East coast of India for the accommodation of ships of large size and tonnage at all seasons of the year is required, whether construction is feasible and if so where; also what measures are necessary for establishing it;

(*b*) whether there is justification for the conversion of any minor ports on the coast of India to major ports, if so, whether such conversion is practicable; also whether there are any other projects for construction of major ports which ought to be considered;

(*c*) what steps are necessary to develop minor ports in order to meet probable demands of coastal shipping traffic.

The constitution of the Committee had been suggested as follows :—

Sir Godfrey Armstong to be the only full time member of the committee, and convener.

Two shipping experts.

One Port Engineer.

One representative of the Associated Chambers of Commerce and,

One representative of the Federation of Indian Chambers of Commerce and Industry.

These last two should, it was considered, represent commerce rather than shipping.

It was hoped that the Committee would be able to finish its work within four months.

The Associated Chambers were consequently requested to nominate a representative to sit on the Committee.

The Associated Chambers enquired whether this Chamber desired to suggest the name of any gentleman to serve on the Technical Sub-Committee, but the Committee stated that they had no name to put forward. They were subsequently informed that the name of MR. J. R. GALLOWAY of Madras had been forwarded to the War Transport Department of the Government of India.

BOMBAY MUNICIPALITY.

BOMBAY MUNICIPAL WATER TAX.

TEXTILE INDUSTRY.

(*See Reports*, 1941, *page* 137; 1942, *page* 148; 1944, *page* 160.)

It was recorded in the Report for 1944 that the Chamber had addressed the Bombay Municipal Corporation in support of the protest of the Bombay Millowners' Association against the proposed increase in the rate of water tax levied by the Municipality to cotton and other mills. In January 1945 the Committee were informed by the Chamber's representative in the Corporation that in the budget estimates for 1945-46 it was proposed to increase the water tax on cotton and other mills from Rs. 1-2 per 1,000 gallons to Rs. 1-8 per 1,000 gallons, to the Port Trust from Rs. 1-2 to Rs. 2 and to the Race Course from Rs. 1-4 to Rs. 2. The Committee informed the Bombay Millowners' Association that they could rely on the Chamber's full support in the event of the Association making representations in the matter.

LABOUR.

DEFINITION OF TERM "WORKMAN."

In June 1945 the Commissioner of Labour drew the Chamber's attention to the fact that the definitions of "workman" (or the synonyms of the term) varied in the various labour laws, the different definitions having been adopted with particular reference to the aims and objects of the legislation in question.

The question of having, as far as possible, a uniform definition of the term was under the consideration of Government and the Chamber was asked for its views and suggestions.

After consulting the Labour Sub-Committee, the Committee informed the Commissioner that in their opinion the definition of " workman " or the synonyms of the term could not be reduced to a common definition to serve the needs of widely differing pieces of legislation. To draft a resolution covering all the Acts, if it were possible to do so, would complicate the operation of the individual Acts. For example, under the Employers' Liability Act, 1938, the manager would appear to be a workman (and rightly so), whereas under the Factories Act, clerks were not workmen (and rightly so), unless they worked in a room where a manufacturing process was being carried on.

The Committee realized the advantage of a common definition in adjudication proceedings and appreciated that difficulty must arise through the absence of such a definition. They suggested, however, that the remedy would be for Government to direct in each adjudication proceedings the class or classes of employees to which Government wished the adjudication to relate.

Furthermore, the Committee suggested that in any subsequent Acts or amendments, Government should include a detailed definition of what is meant by " workman " in that particular legislation.

COMPENSATION FOR VOLUNTARY UNEMPLOYMENT.

In December 1944, the Commissioner of Labour informed the Chamber that at the second Tripartite Conference there was general agreement that workers who had been temporarily thrown out of employment owing to shortage of coal or raw materials or change in lines of production of which adequate notice could not be given, should be given relief. The Government of India accordingly drew up certain proposals and the Government of Bombay expressed a hope that employers would give effect to them. The Government of Bombay considered that where such stoppages had occurred and relief was not given a demand for relief would be a fit subject for adjudication. It was felt that *prima facie* notice of one month would satisfy the requirements of paragraph 1 (*c*), and repeated closures for 7 days or less separated by short periods would be regarded as not in accordance with the intention of paragraph 2 (*b*).

The proposals were as follows :—

1. *Kinds of unemployment covered.*

(*a*) The proposals relate only to short-term unemployment, during the period of the war due to shortage of coal or raw materials or changes in lines of production of which adequate notice cannot be given.

(*b*) The proposals do not cover closures of factories or of departments due to special Government orders.

(*c*) The proposals do not cover closures of which adequate notice is given under standing orders, whether statutory or voluntary.

2. *Benefits to be given.*

(*a*) Benefit which should be on a scale lower than the ordinary rate of pay may be fixed in either of two ways:—

(i) 75 per cent. of the ordinary rate of pay for first fortnight of unemployment and 50 per cent. of the ordinary rate of pay for the second fortnight of unemployment with possibly a flat rate or benefit for persons drawing lower levels of incomes.

(ii) A flat rate which would be about 75 per cent. of the average of lower range of wage rates in the undertaking.

(*b*) Duration of benefit should be one month allowing for a waiting period of seven days (benefit, however, to start from the first day of unemployment provided the unemployment lasts longer than the waiting period).

(*c*) This special unemployment benefit will not qualify a worker for bonuses determined by reference to earnings over any period.

(*d*) The cost of benefits will be admitted as revenue expenditure for income-tax and E.P.T. purposes.

3. *Conditions attached to benefit.*

(*a*) To qualify for benefit a worker must answer to a muster-roll once a day at his usual place of employment or, with the permission of the employer, at any other place.

(*b*) A worker will be ineligible for benefit if he unreasonably refuses work even of a different sort in his usual factory or (provided employment offered is in the same locality) by transfer from one department to another in the same undertaking or industry or from one industry to another. In case of dispute whether an objection to transfer was reasonable or not an authority designated by the Provincial Government shall decide finally. For the transfer of Labour from one industry to another use will be made of the Employment Exchanges in respect of skilled and semi-skilled personnel and in the unskilled labour Supply Committees in respect of unskilled labour.

(*c*) The employer will not be entitled to discharge during the benefit period any worker who has been in countinuous employment with the same employer or in the same industry in that locality for a period of not less than three months.

4. *Benefit by whom given.*

The liability to pay benefit will be on the employer.

5. *Industries covered.*

All industries should be covered whether engaged on war industry or otherwise.

6. *Methods of ensuring payment of benefit.*

A province (or State) should use its good offices or conciliatory powers to persuade employers to pay; though in suitable cases disputes in this regard can be referred to adjudication under Defence of India Rule 81-A.

Where voluntary agreement between the employer and the workers has been reached or where the Provincial Government is satisfied as to the detailed measures of benefit necessary, the agreement or the details could be embodied in an order to be passed under the Defence of India Rules 81-A (1) (*b*) after consultation in individual cases with the Central Government.

The State Governments will utilise the appropriate legal machinery available to them.

In replying to the Commissioner of Labour the Committee stated that it appeared that Government had accepted the recommendation without any reference to the interests concerned and they brought to Government's attention the inconsistency of the proposal.

If an employer wished to cease production because prices were no longer attractive or because demand fell, he need only give the notice required in the Standing Orders either to lay off or to terminate employment, usually of 13 or 14 days; but if the factory closed due to shortage of coal special benefits had to be given to labour. Labour did not get these benefits if the factory closed due to special Government orders. However, if Government "special orders" were such as to restrict coal supplies, then the benefits would be payable.

The Committee noted the suggestion that notice of one month should satisfy the requirements of para 1 (*c*), but they considered that 14 days' notice should be regarded as adequate, and furthermore, that unanimous agreement on this point should be arrived at throughout India.

As regards the suggestion that repeated closures of seven days or less, separated by short periods, were to be regarded as in accordance with the intention of para 2 (*b*), the Committee recommended that each case should be judged on its own merits.

HOLIDAYS WITH PAY.

(*See Reports*, 1935, *page* 201 ; 1937, *page* 191 ; 1942, *page* 191 ; 1944, *page* 165.)

In the *Bombay Government Gazette*, Part IVA, dated 15th August 1945, the political and Services Department of the Government of Bombay published a draft Notification embodying the Factories (Holidays) Rules. The draft Rules were considered by the Committee in consultation with the Labour Sub-Committee and the following comments thereon were submitted to the Commissioner of Labour.

The keeping of the Register—Form C—would undoubtedly prove very onerous to a large number of employers and the only purpose such a Register appeared to serve would be to ensure that the Factories Inspector should have the means of verifying that holidays with pay were being granted to workers in accordance with the Act.

The same remarks applied equally to Form D—the Holiday Book. Workers would surely be equally well protected if all employers who came under the Factories Act were instead

obliged to embody in their Factory Standing Orders the terms of holidays with pay prescribed by Chapter IV-A, sections 49B and 49C, etc., or if not having any Factory Standing Orders the firm were obliged to post these terms in the three or four principal vernaculars in their workshops, so that all workers might thus be fully informed as to the holidays due to them.

Action by the Factories Inspector should normally be called into being only on receipt of a complaint by workers that their employers were not complying with the terms of the Act as posted in the factories. The Inspector could then investigate the case on the premises of the firm and decide the claim. If he found that an injustice had been done, the Government of Bombay would then require the firm to keep the suggested register.

The Committee also recommended that Rule 10 be deleted because (*a*) it involved a great deal of unnecessary work, and (*b*) "involuntary unemployment" was not defined; for example, casual labour in particular who were not working, were not in anyone's employ; (*c*) in the case of unscrupulous employers it could work to the workers' disadvantage in that he would be discharged simply to avoid the necessity of reporting him under Rule 10.

BOMBAY INDUSTRIAL DISPUTES (AMENDMENT) BILL.

(*See Reports*, 1938, *page* 137; 1939, *page* 180; 1940, *page* 178; 1944, *page* 169.)

It was recorded in the Chamber's Report for 1944 that in commenting on the Bombay Industrial Disputes (Amendment) Bill the Committee expressed a hope that before any further action was taken in regard to the Bill Government would arrange to hold a conference with the interests concerned and added that if such a conference was convened this Chamber would be prepared to nominate delegates.

A conference with SIR CHARLES BRISTOW, Adviser to His Excellency the Governor, at which were present representatives of the Chamber, the Bombay Millowners' Association and the Ahmedabad Millowners' Association, was held on the 7th February 1945. This Chamber was represented by MESSRS. R. W. BULLOCK, A. W. PERCY and H. F. MILNE.

At the conference the following points were stressed:—

(1) That Government's proposals were a definite interference with the inherent liberty of employers and owners of property as they empowered the Labour Officer, at his entire discretion, to call any meetings in the employers' premises without reference to the employer, and also to put up any notices that he pleased.

(2) That Government would have to assume responsibility for any damage caused as the result of a meeting called by the Labour Officer in a Millcompound, and

(3) The Labour Officer should not be empowered in any case to call a meeting in the premises of a Mill in which a lockout had been declared.

RETURN OF UNSKILLED LABOUR EMPLOYED.

An order calling on employers to furnish monthly returns concerning the employment of unskilled labour was issued by the Government of Bombay on the 15th June 1945.

Every employer of more than 100 unskilled workmen had to furnish before the 10th day of each month a return, relating to the preceding month, showing the number of unskilled workmen employed, divided into men, women and children below 15 years old, either directly or by contractors, or the daily average so employed ; the daily average cash wage paid ; the estimated value of concessions given to the workers such as grain, fuel, housing or clothing ; and details of the housing and other amenities provided, such as the number of workers for whom housing was provided, transport facilities and medical attention. Two separate returns were called for, one relating to workers already in employment and the other relating to labour required for new works.

The employers would also give in the reports estimates of the Additional number of workmen needed, or likely to be needed in the subsequent three months ; if any workers were likely to be discharged, and if so, how many ; and would state in the report if they had experienced any difficulty in meeting their requirements of unskilled labour.

These returns were to be furnished to the Chairman of the Regional Labour Supply Committees if the undertakings were situated in Bombay City, Bombay Suburban District ; the Districts of Thana, Poona, Nasik and East and West Khandesh, and all Districts in Gujarat ; and to the Provincial Labour Supply Committee, Bombay, if the undertakings were situated elsewhere.

Unskilled labour, for the purposes of this Order, was defined as all employees other than technical personnel as defined in the National Service (Technical Personnel) Ordinance of 1940 ; managerial and clerical staff and persons earning more than Rs. 100 a month, inclusive of dearness or other allowances.

The Committee informed the Government of Bombay that they considered that in practice it would be extremely difficult to furnish the returns before the tenth of every month more especially in the case of piece-workers. They, therefore, recommended to Government that the date fixed should be the last day of each month instead of the tenth.

By an amending Order dated 21st July 1945 the date was extended to the twentieth day instead of the tenth.

DEARNESS ALLOWANCES TO STAFFS.

(*See Reports*, 1939, *page* 48; 1940, *page* 180; 1941, *page* 155; 1943, *page* 135.)

It was recorded in the Report for 1943 that in the month of April of that year information was called for by the Chamber as to the rates of dearness allowance then paid by individual members to labour, menial and clerical staffs. Information was also requested as to whether an annual bonus was paid and whether a grain shop or cheap food stores had been provided by the management.

101 firms replied and the information was tabulated by the Chamber's secretariat; and in due course an analysis was issued to members.

In this original application it was however stated that the replies would be regarded, if so desired, as confidential.

In a circular addressed to members in December 1944 the Committee expressed the opinion that these figures should be brought up to date. It was also felt that if they were to be used to the best advantage, they should no longer be regarded as confidential and that a register of them, kept in the Chamber's office, should be available for inspection by any member firm.

Members were requested, therefore, if they were prepared to divulge the required information, to submit the following particulars :—

1. Present dearness allowance paid to menial staff and the limit of salary up to which this is paid.
2. Present dearness allowance paid to Indian clerical staff.
3. Average bonus for the years 1943 and 1944 paid to menial staff.
4. Average bonus for the years 1943 and 1944 paid to Indian clerical staff.
5. Average increase in salaries of menials and Indian clerical staff for the years 1943 and 1944, expressed as a percentage of the total salary bill, excluding increases arising from the employment of a larger number of employees.

71 replies were received setting out the required information. These were made available for inspection by members.

SALARIES OF INDIAN CLERICAL STAFFS.

As the Committee considered that it would be of material advantage to members if statements of the salaries and conditions of service of their Indian clerical staffs were filed in the Chamber and made available for perusal by all member firms supplying

this information, a questionnaire was issued to all members on the 17th February 1945. The forms received were placed at the disposal of members who had replied to the questionnaire.

INTERNATIONAL LABOUR CONFERENCE.

PREPARATORY TECHNICAL CONFERENCE ON MARITIME QUESTIONS.

On the 24th July 1945 the following Press *communique* was issued by the Department of Labour of the Government of India and is reproduced for purposes of record :—

" It is understood that a Preparatory Technical Conference on Maritime questions will be convened by the International Labour Office from 15th November 1945 with a view to prepare the ground for a maritime session of the International Labour Conference to be held early in 1946. The place of the Conference will be communicated later.

2. The terms of reference of the meeting are as follows:—

To consider with a view to the formulation of international minimum standards, the following subjects:

I. (*a*) Wages: hours of work on board ship, manning.
(*b*) Leave.
(*c*) Accommodation on board ship.
(*d*) Food and catering.
(*e*) Recognition of seafarers' organization.

II. (*f*) Social insurance.
(*g*) Continuous employment.
(*h*) Entry, training and promotion.

The consideration of these subjects will include the preparation of preliminary drafts of possible international regulations.

The items listed under II are included provisionally and will not be dealt with unless the meeting considers that sufficient progress has been made in preliminary consideration of them by two special committees which are being set up to examine and report upon them in accordance with the resolution of the Joint Commission.

3. The Government of India have been invited to nominate one delegate each to represent Government, shipowners' and seamen's interests. Each of the delegates may be accompanied by advisers, and the Government of India have decided that each non-official delegate should be accompanied by two advisers. The delegates and advisers representing shipowners and seafarers will be nominated after consultation and in agreement with the national organizations respectively concerned (including the organizations of officers as well as ratings). It will considerably assist the expedite of the final nomination of non-Government representatives if a panel of names is recommended to Government.

4. Shipowners' and Seamen's Organizations wishing to make suggestions relating to the nomination of non-Government delegates and advisers may submit panels of names of their nominees to reach the Secretary to the Government of India in the Department of Labour as early as possible and, in any case, not later than 25th of August 1945.

5. The Government of India will pay to the non-official representatives, when finally nominated travelling expenses and allowances on the scale admissible to non-official delegates to the regular sessions of the International Labour Conference."

INTERNATIONAL LABOUR CONFERENCE.

TWENTY-SEVENTH SESSION.

The twenty-seventh session of the International Labour Conference was held in Paris between the 15th October and 7th November 1945.

The agenda was as follows:—

I. Director's Report. (Social problems of the immediate post-war period with special reference to Europe—Future Policy and Programme of the International Labour Organization).

II. The maintenance of high levels of employment during the period of industrial rehabilitation and reconversion.

III. Welfare of Children and Young Workers. (First discussion.)

IV. Matters arising out of the work of the Constitutional Committee.

V. Minimum standards of social policy in dependent territories. (Supplementary provisions).

VI. Reports on the Application of Conventions. (Article 22 of the Constitution.)

INDUSTRIAL.

TRAINING ABROAD OF HIGHER TECHNICAL PERSONNEL FOR POST-WAR INDUSTRIAL DEVELOPMENT.

Towards the end of December 1944 the Department of Labour of the Government of India drew the attention of the Chamber to the action they proposed to take to make good the serious deficiency in skilled technicians particularly of the higher categories, which would constitute one of the most serious bottle-necks in the industrial development of the country. India would need, for example, large numbers of chemical engineers, mineralogists, electrical and other technicians including those who could design and build machine tools of various kinds. For these higher technical posts the training for the moment would inevitably have to be abroad and steps would have to be taken to ensure that the technicians on their return to India would be capable of developing, planning, organising various branches of industry according to the needs of the programme of future industrial development.

With a view to ascertaining the actual requirements of industry certain preliminary enquiries were made in January 1944 and on the basis of the information furnished, the Government of India had been exploring the possibilities of securing the necessary facilities. Unfortunately, it had been found that little progress could be made unless, in the case of each candidate, definite information was available as to his theoretical qualifications, past industrial experience, the specific nature of the

training required and also the industry for which this training was required. Unless these particulars were furnished training institutions and firms abroad were not in a position to indicate what facilities could be made available to Indian technicians.

The Government of India felt that, though there might be difficulties in the case of special trades, India's requirements in regard to advanced technical training could be met substantially in the United Kingdom and the United States of America. To enable them to take further action in the matter it was necessary to have the names and the full particulars indicated above of any candidates which members of the Chamber considered should be sent abroad for higher technical training.

As regards cost, the Government of India had no doubt that in most cases industrial firms or associations would be able to meet the full expenditure on account of their own trainees provided of course facilities were secured through the Government of India in accordance with their requirements. In special cases, e.g., where training was required for new industries or industries whose development was considered desirable in the national interest and the industrial firm or association concerned was unable to bear the full cost, the Government of India would be prepared to consider giving financial assistance, where such assistance was necessary in respect of trainees who were sent during the war or within six months thereafter.

The Government of India requested the assistance of the Chamber by obtaining from members a list of their recommendations and the full particulars of each candidate.

A circular letter was accordingly addressed to all members enquiring whether they desired to put forward the names of any of their employees. The replies received were forwarded to the Department of Labour.

POST-WAR REQUIREMENTS OF HEAVY ELECTRICAL EQUIPMENT AND OTHER MACHINERY.

(*See Reports*, 1943, *page* 57 ; 1944, *page* 77.)

The following copy of a letter No. E. & O. 30172/45, dated 6th January 1945, from the Economic and Overseas Department, London, to the Commerce Department of the Government of India, New Delhi, is reproduced for purposes of record :—

" Discussions have been held recently with the Board of Trade regarding capacity which may be available for the production of machinery and plant for general export. It has been stated that United Kingdom manufacturers of the following types of plant are now in a position to accept and fulfil any orders which they may receive.

Paint machinery.
Confectionery machinery.
Mineral water machinery.
Brewery machinery.

Dairy machinery
Ventilation equipment (Industrial).
Chemical plant.
Canning machinery.
Coke oven plant.
Gas works plant.
Gas cylinders.
Gas stoves, meters, fires, boilers, heaters.
Domestic food preparing machinery.
Rice machinery.
Individual flour milling machinery. (not big installations).
Oil processing machinery.
Windmills (pumping plant).
Sewage machinery.
Filling machinery.

It is requested that this information may be passed to any other Department who may be interested in obtaining plant of the above kinds."

It was recorded in the Chamber's report for 1944 that the question of post-war requirements of heavy electrical plant by industrial concerns was under the consideration of the Government of India. In a letter addressed to various industrial concerns on the 10th February 1945 the Department of Industries and Civil Supplies of the Government of India pointed out that the list of requirements of capital goods, including heavy electrical equipment called for previously, related only to the equipment required during a period of two years after the end of war. The Secretary of State had already been furnished with a list of heavy electrical equipment as indicated in the replies received and action in respect of allocation of manufacturing capacity, etc., was being taken.

In view of the fact, however, that heavy electrical equipment would continue to be particularly difficult to obtain for a long time in the post-war period, Government requested the individual concerns to intimate their requirements of such equipment up to and including 1950 not later than 31st March 1945.

It was noted that the list called for should not include items of heavy electric equipment already notified by such concerns.

A copy of the letter addressed by the Government of India to industrial concerns together with a copy of the form of application were placed at the disposal of members.

The following press note was issued by the Commerce Department of the Government of India on the 23rd December 1945 on the subject of certain modifications in the scheme for registration of post-war requirements of capital goods. The revised procedure for submission of applications described in paragraph 1 of the press note, applied only to goods required for the Cotton Textile Industry and covered by serial numbers Part III-4, 5(1) and 5(2) of the Import Trade Control Schedule appended to Commerce Department Notification 23-I.T.C./43 dated the 1st July 1943.

" With a view to facilitating early consideration of applications for registration of requirements of capital goods for the cotton textile industry, it has been decided that the Deputy Chief Controller of Imports, Bombay, who is the licensing authority for cotton textile machinery, millstores, and component parts, should receive such applications on behalf of the Chief Controller of Imports, New Delhi.

" Applications for registration of such goods should, therefore, in future be addressed to the Deputy Chief Controller of Imports, Bombay, in the first instance, in the prescribed form.

" It has also been decided that imports of capital goods for stock and sale, whether for the requirements of the cotton textile industry or any other industry, will require registration only if the value of any of the individual units included in the stock order is Rs. 25,000 and over (or Rs. 10,000 and over in the case of machine tools), irrespective of the total value of the order.

" It has further been decided that, in future, when once an application has been accepted for registration, an import licence will be issued as quickly as possible after issue of the Registration Certificate, from whatever country import has been registered and whatever the goods concerned. In other words, acceptance of registration carries with it automatically the right to an import licence."

RECONVERSION OF INDUSTRY FROM WAR TO PEACE PRODUCTION.

Steel Industry.

In April 1945 the Chamber was addressed by the Iron and Steel Controller who stated that although it was impossible to predict the date of the cessation of hostilities or of any substantial part of hostilities, the Government of India considered it a matter of the greatest urgency that a preliminary examination of the arrangements be made for reconversion of industry from war to peace production immediately. The Department of Supply had therefore been instructed to make a preliminary examination for those industries for which it possessed technical staff while the Industries and Civil Supplies Department would make a similar examination for textiles. The Iron and Steel Controller had been directed to make this examination with regard to steel.

The Controller pointed out that as far as the steel industry was concerned the problem was one of redistribution rather than reconversion, i.e., directing the steel away from war end uses to the normal peace-time end uses. To prevent a dislocation of the industry when war demands gradually decreased or were suddenly cut off, it was necessary to have in hand an accumulation of indents for steel for peace-time use which could be placed on the steel producers as productive capacity became available. It was understood that all major industries had under suspension various projects which up till now could not be proceeded with as they could not be regarded as essential to the maintenance of the life of the community on a war-time basis. In many cases, however, the industries would be prepared to take up such projects immediately steel became available. It was considered that it would be of great assistance, therefore, to the Government of India if the Industrial Associations would draw up a phased building programme of specific projects which they would be prepared to put into effect and for which they would be prepared

to order the steel on firm indents themselves or through contractors within six months, twelve months and eighteen months of the cessation of hostilities in the West or such earlier date as might be considered practicable by the Government of India. It was requested that the phased building programme should be drawn up giving a list of the materials required for each project and with an indication of the agency who would perform the work. The steel should be shown by category including pipes.

In replying to the Iron and Steel Controller the Committee stated that they endorsed the views expressed in his letter to the effect that as hostilities drew to an end the examination of the arrangements to be made for the reconversion of industry from war to peace production was viewed with increasing concern by the steel industry, both producers and fabricators. It would probably be not far wrong to say that most firms in the steel industry at the moment had their capacity for about the next twelve months taken up on war orders but these orders were subject to cancellation at comparatively short notice either before or after production had commenced and no doubt cancellations must be expected as time went on. At the moment planning was approximately 9 months ahead of completion, i.e., indents for steel had to be placed on producers about six months ahead of requirements and fabrication completed during the remaining three months. Unless this period was reduced there was, therefore, from the fabricator's point of view, a time lag of six months to be considered. This time lag might even be increased unless post-war requirements were planned well ahead for the reason that in the case of war orders which were generally to standardised designs indents for steel materials required could be prepared in a comparatively short time whilst in the case of peace-time projects very often complete designs had to be made before any material indents could be prepared. If production in the industry was to be maintained and unemployment avoided, it was therefore very necessary that particulars of post-war projects should be collected and the present was by no means too soon.

The Committee pointed out that if steel producers and fabricators were to return gradually and smoothly to peace-time production then work must be available for both and a gradually increasing percentage of producer's and fabricator's capacity should be released for industrial and civil needs. For this to be done it was essential that Government should have particulars of work already available or likely to be available so that a general summary of the steel tonnages under the various categories could be made. At the same time, steel should be made available both from stock and early rollings for industrial and civil needs increasing according to capacity allocated. There would

be a large tonnage of surplus steel from war orders but the sections would not in the main be those generally used in peace-time construction and this was an important point which Government should bear in mind.

The Committee regretted, however, that the Chamber of Commerce was not in a position to collect the type of information required and it was in their view a matter essentially for individual action, and they suggested that Government would be well advised to issue a Press notice which would be a more appropriate method of approach.

In conclusion, Government's attention was drawn to one more point, namely, that there should be some guarantee that industries were paying a suitable and reasonable price for steel as otherwise they would naturally wait and see with a resultant time lag.

IRON AND STEEL PRODUCTION IN INDIA.

The Government of India in the Planning and Development Department appointed an Iron and Steel (Major) Panel to investigate the feasibility of increasing the production of iron and steel from about 1¼ to 2½/3 million tons for the industrial and agricultural development of the country during the first five-year period of the 15-year plan to be brought into force after the termination of hostilities. Besides increasing the production of steel there were important questions of policy which the Panel was instructed to investigate under the special and the general directives issued by the Government of India. The Panel accordingly, in August 1945, issued a questionnaire covering the above points and requested the views of the Chamber on them. After consulting a Special Sub-Committee consisting of Mr. C. P. Bramble, M.L.A., Mr. H. C. de Mierre, Mr. E. W. A. Richardson and Mr. W. F. Fairburn, the following replies were sent to the various questions :—

Question 1.—Whether in your opinion the contemplated increase is feasible and desirable in the interest of the country?

Answer 1.—The contemplated increase in the production of iron and steel from about 1¼ to 2½/3 million tons for the industrial and agricultural development of the country during the first five-year period of the 15-year plan, is feasible ; in so far as the supply of pig iron necessary for the fabrication of steel is concerned. Entirely new plants would, however, be necessary and so every thing would depend on the necessary machinery being obtained in a reasonable time. The contemplated increase is desirable in the interests of the country.

Question 2.—Whether you are in favour of the regionalisation of this industry bearing in mind that one of the principal raw materials of the industry, viz., coking coal, has so far not been found in any workable quantity outside the coal-fields of Bengal and Bihar where also the other raw materials are to be found in closer proximity than in most other parts of India ?

Answer 2.—The question of the desirability of the regionalisation of the iron and steel industry must depend on the availability of raw materials in areas other than Bengal and Bihar. If investigation proves that metallurgical coals are available elsewhere where the necessary conditions obtain, e.g., in the Central Provinces, my Committee favour the setting up of iron steel works in such areas.

Question 3.—Will entirely private capital involving at present prices, an outlay of 25 to 30 crores be forthcoming to finance a major Iron and Steel Works ? If so, what rate of return would such capital expect, on the assumption that the industry is adequately protected?

Answer 3.—In the present state of uncertainty as to the political future of the country doubts have been expressed as to whether the required capital would be forthcoming from the public, but on balance my Committee are inclined to believe that the required capital, e.g., 30 crores would be forthcoming. The proviso of adequate protection would have a bearing on this point but protection alone would not guarantee any given rate of return, which they consider should not be less than 6 per cent.

Question 4.—Whether the industry should be under Government ownership either on grounds of national interest or because private capital is unlikely to take it up? And if so, whether it should be wholly or partly managed by Government?

Answer 4.—The industry should not be under Government ownership on grounds of national interest. There should, however, be Government Directors in every case.

Question 5.—If the industry is not wholly owned by the State, whether you would favour the investment by Government of any part and if so, what part of the capital required?

Answer 5.—So long as private enterprise is forthcoming, it is considered that there is no ground for the industry being wholly owned by the State ; there is however, no objection to a large part of the capital, even 49 per cent. being held by Government.

Question 6.—Whether you are in favour of any degree of co-operation with foreign firms as necessary or desirable both as regards capital and/or management ?

Answer 6.—There is no objection in principle to co-operation with foreign firms if necessary, both as regards capital and/or management.

Question 7.—If any assistance is required from Government, what form should it take other than that of protective duties having regard to the possibility that so long as prices of foreign steel remain at their present level, protective duties may not be necessary ?

Answer 7.—My Committee have no comment to make on the query as to what form of assistance should be required from Government other than that of protective duties.

Question 8.—If the industry is to be under private ownership and management, what controls, if any in your opinion should be exercised by Government in the interest of the consumer?

Answer 8.—If the industry remains under private ownership and management, the control exercised by Government should be confined to the appointment of their nominees to the Boards of the companies. Any scheme of control should be organized and managed by the industry itself and not imposed on the industry by Government.

Question 9.—Are you in favour of forming a Federation of Iron and Steel Manufacturers? If so, the lines on which such an organization should function in the interest of the industry and the consumer?

Answer 9.—My Committee are not in favour of forming a Federation of Iron and Steel Manufacturers, as they do not consider that such an organization would function in the interests of the consumer, even though it might be of advantage to the industry as producers.

Question 10.—Are you in favour of setting up a Unitary Sales Organization in order that the industry as a whole may be able to distribute its products economically both in internal and external markets? If so, would you be in favour of any Government control over such an organization? What form should such control take?

Answer 10.—The setting up of a Unitary Sales Organization is desirable in principle, but in practice my Committee are not in favour of the proposal, for the same reason as that set out in answer to question 9, namely, that the consumer is unlikely to benefit.

Question 11.—Do you consider that the formation of a cartel is desirable in the national interest?

Answer 11.—The formation of a cartel is not desirable in the national interest.

VISIT TO AUSTRALIA OF AN INDIAN INDUSTRIALISTS' DELEGATION.

In February 1945 a party of Indian Industrialists visited Australia for the purpose of finding out firstly what Australia's needs were and how India could help to supply those needs and secondly how Australia could help India to develop its industries as soon as the war was over.

MR. NEVILLE N. WADIA, a Director of the Bombay Dyeing and Manufacturing Co., Ltd., one of the delegates enquired whether the Chamber had any points which it was desired that he might take up while on his visit, in connection with the above two matters and also whether any member of the Chamber wished to make contacts with any particular class of trade.

All members were notified of MR. WADIA'S kind offer and several letters were received which were passed on to him for necessary action.

On his return from Australia MR. WADIA met the Committee of the Chamber on 2nd May 1945 and gave an interesting address in connection with his visit.

TRADE PROSPECTS BETWEEN NEW ZEALAND AND INDIA.

In May 1945 an enquiry was received from the Auckland Chamber of Commerce regarding the prospects of trade in both directions between New Zealand and India after the conclusion of the war with Japan. The Auckland Chamber also enquired whether any good purpose would be served if a trade delegation from New Zealand to visit India could be arranged and what were the main obstacles to trade between the two countries at the present time.

The Committee conveyed their views as under :—

Prospects of trade with New Zealand.—In so far as New Zealand was primarily an agricultural country with a small but good secondary industry, it was capable of producing a number of items required by India.

Of her primary products India could well afford to import all types of dairy produce, wool and mutton. New Zealand had a large surplus of dairy produce available for export, 81 per cent. of which went to Great Britain at the present moment. It was understood that from the butter supplied to Great Britain huge quantities of skimmed milk were separated from the cream. This was at the moment used for feeding pigs, and only a small proportion was made into skimmed milk powder. With the great shortage of milk in India there should be a ready market for skimmed milk powder as there was no hope of India producing sufficient milk for her requirements for many years. New Zealand should also be able to supply powdered whole milk and powdered buttermilk both of which should find a ready market in India. Butter was imported before the war and could again be imported when New Zealand was in a position to supply.

As regards wool, the type of wool which New Zealand produced was of the coarser and cheaper variety most suited to making garments for the poor and middle classes in India. It was not nearly so expensive as the fine Merino wools of Australia.

The limitations to marketing mutton were governed by religious customs of this country, but with better education New Zealand would be a good source for supplementing India's inadequate supply.

Her secondary industries were at the moment sending India concrete mixers, pumps, both electrically driven and driven by windmills, but she excelled in production of dairy machinery and machinery required in the distribution of milk. If big cities in India were to modernise their distribution systems of milk they could not do better than to buy the new equipment from New Zealand.

In answer to the question " Do you think any good purpose would be served if a trade delegation from New Zealand to visit your country could be arranged ? " the Committee thought it would serve the most useful purpose as people in this country had no conception of what New Zealand was capable of sending. A good delegation could enlighten business men here and they would in turn be able to see for themselves what India was capable of sending in return.

As regards the main obstacles of trade between the two countries, they were, firstly, shipping. At the present moment there were no direct steamers sailing between India and New Zealand. All cargo in either direction had first to go to Sydney or Melbourne. The freight from these two Australian ports to Bombay was the same as from Sydney to London and the freight from Sydney to New Zealand was about £3 10*s*. (New Zealand currency) per ton. With this heavy cost of freight trade could not flourish. Secondly, as the law stood at present, it was not practical for either an Indian company to open an office in New Zealand, or for a New Zealand company to open an office in India. The taxation laws in New Zealand and in India demanded payment not only on the profit actually made in their respective countries, but demanded payment of income-tax and super-tax in proportion to the quantity sent to the other country to the total output of the parent Company. New Zealand had made an agreement with the United Kingdom which had exempted traders of the one country from paying tax in the other country.

Apart from the foregoing there were no real obstacles to reciprocal trade and in fact India could afford to buy more from New Zealand than she might care to send in return. New Zealand

owed money to England and with India's huge sterling balances, it would be in the interests of the three countries if New Zealand's debts to England were set-off against India's sterling balances.

In conclusion, the Committee emphasised the importance of New Zealand sending token shipments of those items which she would be able to ship to India after the termination of hostilities.

At the suggestion of the Associated Chambers of Commerce of India, a copy of this Chamber's letter to the Auckland Chamber was forwarded to the New Zealand Government Representative, Bombay, for his comments. At the same time it was mentioned that a steady demand for gunnies from New Zealand existed but the position had been that while the ships plying to serve that need had had a full cargo to New Zealand, it had been the reverse on the return voyage.

The New Zealand Government Representative in reply stated that on the question of increasing trade between New Zealand and India it was considered that there were definite possibilities in the post-war period especially in so far as primary produce was concerned. One difficulty in the immediate future was that the Dominion Government had entered into an agreement with the United Kingdom Government whereby the latter would take all of New Zealand's surplus for the next four years, although he felt sure that releases would be made for India on request.

To come to actual commodities—processed milks both skimmed whole milk—butter, cheese, honey, raw wool should have a ready sale in India.

Provisions generally should also be possible of marketing in this country especially jams, preserves canned fruits, etc.

Meats were a more difficult proposition but the European population and certain classes of the Indian population would provide a market worthy of exploitation. A further difficulty was of course the question of refrigeration but this was a matter which would, it was thought, receive attention as soon as circumstances permitted. The principal items would be mutton, lamb and hams.

Secondary industries would be a much more difficult proposition as, firstly, costs were fairly high owing to the relatively high wage level operating in New Zealand ; secondly, the Dominion was not a highly industrialized country, one of the principal drawbacks in the past having been the absence of most raw materials—this, of course was a factor which still obtained. However, the war had been responsible for an increase of secondary industries and as the country was a relatively small consumer owing to the small population, many of these industries

must seek an outlet for their products overseas if they wished to continue manufacture on an economical basis.

On the subject of shipping—pre-war there were approximately three direct sailings per year from India to New Zealand and back and these would be reintroduced as early as possible and should they be warranted further sailings would be arranged. It had been suggested to New Zealand that instead of looking to India alone, Singapore, Malaya and Burma should also receive some attention and that shipping be arranged to give a round trip New Zealand—Singapore—Burma—India—and possibly the Netherlands East Indies which should mean that with some effort on the part of New Zealand manufacturers, exporters and Government, freight should warrant a more or less frequent service.

As regards taxation, it was admitted that the existing regulations were such as to discourage Indian manufacturers appointing agents in New Zealand but the Dominion Government recently offered to enter into an agreement with the Government of India much on the lines of the agreement with the United Kingdom Government.

INDUSTRIAL STATISTICS.

(*See Reports*, 1942, *page* 104; 1944, *page* 170.)

It was recorded in the Chamber's Report for 1944 that in commenting on certain draft rules published by the Government of Bombay under the powers conferred by section 12 of the Industrial Statistics Act, the Committee stated that they agreed to co-operate with Government, on the understanding that every endeavour would be made to ensure that secrecy was maintained and that the statistical data asked for were kept within reasonable limits. Government's attention was also drawn to the undesirability of the Act and Rules being brought into force in one Province only, and urged that the Central Government should arrange for identical rules to be formulated by other Provincial Governments and that they should be brought into force simultaneously.

On the 15th August 1945 a deputation from the Chamber consisting of the President, MR. C. P. BRAMBLE, M.L.A., the Vice-President, MR. A. W. PERCY and MR. R. W. BULLOCK met MR. H. M. PATEL, I.C.S., Joint Secretary to the Government of India, Department of Industries and Civil Supplies and certain officers of the Government of Bombay. The Deputation mentioned that in 1944 the Government of Bombay alone amongst Provincial Governments had attempted to introduce rules under the Act and that on that occasion there had been no previous consultation with the Chamber.

Mr. Patel replied that draft rules would be published by the Government of India for comment in the first instance. This indeed was obligatory under the Act. The rules would thus be uniform throughout all-India except in so far as extra information might be required by a particular Provincial Government and this would be called for only if the Government of India were satisfied after discussions with the industry concerned that it was necessary.

As regards secrecy, Mr. Patel assured the deputation that this was fully intended. A confidential section would have to be maintained and returns would bear serial numbers. He was open to receive suggestions as to the best method of ensuring secrecy. It was to be noted that the request was for totals of raw materials used, wages paid, etc. The quantities used in a particular process were not asked for.

Mr. Percy described the forms, Sections D and E in particular, as unsuitable for small concerns for whose use something more simple was desirable. This point was discussed at some length although the deputation could scarcely be said to represent such small concerns; and Mr. Patel expressed his appreciation of the help given to him in this regard.

On the 20th September 1945, the Government of Bombay published a draft of a further notification substituting new rules and forms for those previously notified. The Committee offered the following minor criticism. They suggested that in the interests of the simplification of the returns details of manufacture of packings (boxes, crates, tins, etc.), which was incidental to the distribution of the product from the factory, should be excluded.

They also suggested that a definition of what was meant by " an obsolete engine " should be included.

The rules in their final form were published in the *Bombay Government Gazette*, Part IV-A, Extraordinary, dated 18th December 1945.

INDUSTRIAL RESEARCH.

(*See Reports* 1940, *page* 187; 1941, *page* 169; 1942, *page* 171; 1943, *page* 140; 1944, *page* 187).

In June 1945 the Secretary of the Council of Scientific and Industrial Research, Military Barracks, The Mall, Delhi, forwarded to the Chamber a copy of a non-technical note on the process for the manufacture of welding flux for aluminium and its alloys, evolved under the auspices of the Council of Scientific and Industrial Research. The note was placed at the disposal of members of the Chamber.

In September 1945, intimation was received by the Chamber to the effect that the Indian Lac Cess Committee had taken out a patent on a certain process for manufacturing urea. The Chamber was furnished with a non-technical note on the patent describing the process and detailing the cost of production, etc. The patent could be leased by interested parties. This note was also placed at the disposal of members.

AGRICULTURAL.

INDIAN CENTRAL OILSEEDS COMMITTEE.

Production and Marketing of Oilseeds.

On the 8th March 1945 a Bill was introduced in the Legislative Assembly with the object of creating a fund to be expended by a Committee specially constituted for the improvement and development of the cultivation and marketing of oilseeds and products. In view of the importance of oilseeds in the national economy, India being one of the world's principal producers of oilseeds, it was considered necessary to put oilseeds research, development and technology on a more permanent basis than it was at the moment. Accordingly it was proposed to set up an Indian Central Oilseeds Committee on the lines of other similar commodity committees such as the Indian Central Cotton Committee, the Indian Lac Cess Committee. The Committee which would have on it representatives of all the important interests concerned would devote exclusive attention to all problems connected with the improvement and development of the cultivation and marketing of oilseeds, the production and marketing of their products and all matters incidental thereto. Since it was desirable that the Committee should have an independent source of income, it was proposed that as in the case of other similar Committees, funds should be provided by the levy of an excise duty at the rate of one anna per maund of oilseeds crushed in power-operated mills in British India.

In addressing the European Group in the Central Legislature in regard to the Bill, the Committee pointed out that it was intended that the cess would be levied on oilseeds crushed in British India only and oil coming from Indian States would be able to compete to the extent of the cess. The Committee suggested that this competition might be obviated by levying the cess (in the same way as octroi) on oil arriving at British India stations from mills in Indian States.

The proposed cess would be levied exclusively on mills which crushed oilseeds with the aid of power, but considerable quantities of oil were produced in British India by bullock-driven or hand-

operated crushing installations. These installations also produced vegetable oils other than groundnut oil. As it was the object of the Bill to improve and develop the cultivation and marketing of oilseeds in general, the Committee suggested that consideration should be given to levying the cess on a more general basis, as presumably all would eventually benefit by the activities of the Oilseeds Committee.

One further point arose which without definitely recommending the Committtee suggested might be examined.

It was proposed to appoint to the Committee two persons to represent the power oilseed crushing industry, but having in mind that a large part of the financial burden would fall on this industry, it would appear that it was inadequately represented by only two persons out of a total of 51 constituting the Committee. It might be advisable to appoint two representatives from each province to represent the crushing industry.

AGRICULTURAL PRODUCE.

Guarantee to Producers of Assured Market at Remunerative Prices.

The Policy Committee on Agriculture, Forestry and Fisheries, at its meeting held from the 26th to 29th June 1944, recommended to the Government of India that Government should guarantee to producers an assured market at a remunerative price for agricultural produce and that a Sub-Committee should be appointed to report as to how to fix a remunerative price for such produce and secure an assured market for it. In accordance with the recommendation of the Policy Committee, the Government of India decided to appoint a Sub-Committee with the following terms of reference :—

To consider (*a*) the principles, on which producers' prices of agricultural produce, whether crops grown for industrial purposes or for food, or the produce of animal husbandry of all descriptions, should be fixed, (*b*) the means by which such prices could be made effective and an assured market be provided, and to make recommendations.

The Sub-Committee would report on its terms of reference in relation to conditions in the post-war period (1) in which a substantial measure of Government control over the procurement, distribution and prices of commodities existed and (2) in which such control had been relaxed or abolished, and normal trade and market conditions had been restored.

The Sub-Committee was constituted as follows :—

1. Sir V. T. Krishnamacheri, K.C.I.E. (*Chairman*).
2. The Hon'ble Mr. Hossain Imam.
3. Mr. Fazal I. Rahimtoola, C.I.E.
4. Rao Bahadur N. R. Samiappa Mudaliar, M.L.C.
5. Dr. L. C. Jain.
6. Mr. Roger Thomas, C.I.E.
7. Khan Bahadur Momin.
8. Sir Pheroze Kharegat, C.I.E., I.C.S., Representative of Education, Health and Lands Department.
9. Mr. V. Narhari Rao, C.I.E., Representative of Finance Department.
10. Sir Theodore Gregory, Representative of Commerce Department.
11. Dr. V. K. R. V. Rao, Representative of the Food Department.
12. Mr. C. N. Vakil, Representative of Planning and Development Department.
13. Dr. B. K. Madan, Representative of Reserve Bank of India.
14. One nominee of the Chamber of Princes.

Mr. W. R. Natu, Statistical Adviser to the Government of India would act as Secretary of the Committee.

A questionnaire on the subject was prepared by the Committee and the Government of India requested the Provincial Governments to furnish the Committee with their views on the various points raised in the questionnaire.

The Government of Bombay requested the Chamber to submit replies to the questionnaire.

In replying to the Government of Bombay, the Committee stated that in their opinion the scope of the questionnaire was such that in the limited time allowed for its consideration it would be impossible to reply other than in general terms and such a reply would be of very little value.

To do justice to the many political issues and economic theories raised in the questionnaire would involve the taking and recording of evidence from expert witnesses, involving considerable time.

In the circumstances the Committee regretted that they considered they were not justified in tendering an opinion at this stage, but added that the Chamber would, no doubt, be given an opportunity of considering the findings of the Special Committee appointed by the Policy Committee of Agriculture, Forestry and Fisheries.

IMPROVEMENT OF AGRICULTURAL MARKETING IN INDIA.

In accordance with the recommendation of the Policy Committee No. 5 on Agriculture, Forestry and Fisheries of

the Planning and Development Department of the Government of India, a Marketing Sub-Committee was set up under the chairmanship of Dewan Bahadur Sir T. Vijayaraghavacharya, K.B.E., Dewan, Udaipur State, to examine the question of agricultural marketing in India with particular reference to the improvement of marketing, the establishment of standards of purity and quality, the establishment of ware-houses and all other cognate matters. The Sub-Committee made a preliminary review of the existing position and decided to collect further data and opinion on the various aspects of agricultural marketing from the interests concerned. With this object in view, they prepared a questionnaire a copy of which was forwarded to the Chamber with a request for its views and comments.

The questionnaire was submitted to a special Sub-Committee whose report was adopted by the General Committee. In forwarding the following replies to the Marketing Sub-Committee the Committee stated that these applied only to cotton, foodstuffs and oilseeds and to the markets in the Bombay Presidency and adjacent territories. It was pointed out that conditions varied considerably from district to district and for the various commodities concerned. It was therefore not possible to reply definitely and comprehensively to some of the questions but the replies given could be taken to represent the prevailing opinion and to apply to the majority of producers and markets.

I.—Improvement of Marketing.

A. Markets.

(a) Primary in producing areas.
(b) Secondary or Assembling.
(c) Terminal or Consuming.

Question (1)—Are these markets well spread in the country ? What is the average area that each type of market serves ?

Answer (1)—Yes in general, areas vary considerably.

Question (2)—What is the system of marketing adopted by the producers ? Do they take their produce to the primary markets or is it collected by middlemen ?

Answer (2)—Varies according to the district and commodities concerned, but mainly taken to the primary markets.

Question (3)—Do the producers derive the full advantage of market facilities and obtain the market price ?

Answer (3)—On the whole yes where regulated markets exist.

Question (4) —If not, what difficulties stand in the way of their being able to do so.

Answer (4)—The lack of regulated markets in some areas.

B. Marketing Functionaries.

Question (1)—Please describe the kinds and functions of the market functionaries operating in the above markets.

Answer (1)—In primary markets, the Adatyas; in secondary markets, the Adatyas and Market Committee, and in the terminal markets, the associations and commission agents attend to the disposal of the goods, supervise the weighment and settle disputes.

Question (2)—How, and to what extent, are they paid for their services ?

Answer (2)—Usually by brokerage or commission generally not higher than 1 per cent.

Question (3)—Who is superflous and can be dispensed with, so that the producer gets a better share of the ultimate value of his produce ?

Answer (3)—The above intermediaries supply useful service. Their numbers and rate of commission should be kept as low as possible.

C. Communications and Means of Transport.

Question (1)—Are communications in your area adequate for the movement of agricultural produce, livestock and dairy products ? If not, what would you suggest to improve them ?

Answer (1)—Roads and means of transport vary considerably but are generally inadequate. The improvement of roads and new and better mechanical transport should be the constant endeavour of all concerned.

Question (2)—Do efficient and economical means of transport exist in your area ? Can you suggest any improvement ? What measures are under contemplation particularly in respect of connecting villages, with markets ?

Answer (2)—No answer given.

D. Finance.

Question (1)—Do the producers require any financial help in connection with the marketing of their produce ?

Answer (1)—Generally yes but the producers' financial position has much improved in recent years.

Question (2)—If they do not operate on their own finances, what would you suggest to improve matters ?

Answer (2)—Producers' Co-operative Societies providing they are well organised.

Question (3)—How is the producer obliged to dispose of his produce immediately after harvest ?

Answer (3)—Shortage of finance.

Question (4)—What steps would you suggest to strengthen the producer's holding power ?

Answer (4)—See (2) above and by providing better storage accommodation in the village.

E. Co-operative Marketing.

Question (1)—Is the system of co-operative marketing of agricultural produce, livestock and dairy products prevalent in your area ?

Answer (1)—No. In a few districts only.

Question (2)—If so, to what extent are the producers availing themselves of its advantages ?

Answer (2)—The support by producers is generally poor.

Question (3)—Is the system efficient ? If not, what are the drawbacks ?

Answer (3)—No. Inefficient management.

Question (4)—What charges have the producers to pay to avail themselves of these facilities ?

Answer (4)—Sometimes by purchase of shares but generally by payment of commission.

Question (5)—Is it possible to organise them in a more efficient manner ? If so, please suggest ways and means.

Answer (5)—Yes by better and higher paid management.

Question (6)—Is there any special organization concerned with the marketing of perishable produce, such as vegetables, fruits, eggs, milk and milk products ?

Answer (6)—No answer given.

F. Future Markets.

Question (1)—Does the system of trading in futures in agricultural produce exist in your area ?

Answer.—Yes but in a few markets only.

Question (2)—Do you consider the futures trading healthy and useful in the general interests of marketing of agricultural produce ?

Answer.—Generally speaking yes when properly controlled, although it affords a great temptation for gambling.

Question (3)—If not, what do you suggest so that the cultivator is enabled to get the best possible price ?

Answer.—Does not arise.

G. Market News Service.

Question (1)—Have the cultivators any means to know the current market price of their produce ?

Answer.—Generally yes in regulated markets.

Question (2)—If not, how would you provide such means ?

Answer.—More general broadcasting of market news.

Question (3)—Assuming that these means were provided, would they improve the cultivators bargaining power ?

Answer.—Yes.

Question (4)—Have you any machinery for recording the arrivals and disposal of commodities in regulated markets ?

Answer.—Yes.

H. Weights and Measures.

Under the Government of India Act, 1935, "Weights" are a Central subject and "Measures" a Provincial one. The Standards of Weight Act, Act IX of 1939 has already been passed by the Central Legislature ; but has not yet been enforced in all the provinces.

Question (1)—Do you agree that, in order to make prices for agricultural commodities throughout India comparable, the standard weights should be made applicable to all provinces and States ?

Answer.—Yes.

Question (2)—What action, is contemplated in your province/ State to

(a) adopt uniform "measures" for agricultural produce such as grains and liquids, such as oil, milk, etc.

(b) Is the Indian Weights and Measures of Capacity Act, 1871, in so far as it relates to measures, in force in your province/State ?

Answer.—We are unaware of any intended action.

II.—Maintenance of Standard of Purity and Quality.

Question (1)—Standards of purity are laid down in each province under the respective Food Law known as Food Adulteration Act or Pure Food Act, etc. It is noticed however that such standards are not uniform throughout India and have to take into consideration the local conditions. But when an article moves from one province where the standard is low to another where it is high, the transporter or the retailer of such commodity is liable to be prosecuted.

Under these circumstances, do you consider that minimum standards may be made universal or arrangements made for exempting the lower standards in the higher standard areas from prosecution ? In the former case, there is a possible danger of adulteration.

Answer (1)—No answer given.

Question (2)—Grading according to quality is done under the Agricultural Produce (Grading and Marking) Act, 1937. Grade

specifications have been laid down in respect of commodities intended both for internal consumption and for export ; but the Act is only of a permissive nature while in foreign countries it is made compulsory.

Do you consider that the state has now been reached in India that the above Act should also be made compulsory ? If so, to which of the commodities included in the Schedule of the Act ?

Answer (2)—Compulsory measures desirable provided enforceable.

Question (3)—Do you consider that all inter-provincial business in agricultural produce should be on the basis of Agmark grades ?

Answer (3)—At present impractical.

Question (4)—It is well known that the purchase of certain commodities, such as wheat and linseed, are made on the basis of some contract the terms of which are, as a rule, dictated by the buyer and in most cases, they operate adversely on the seller. Attempts were made by the Central Agricultural Marketing Department to enforce by mutual agreement a uniform bilateral contract but this was not uniformly adopted by the trade.

Do you consider that legal action should be taken to enforce such contract terms which are of mutual application ?

Answer (4)—It is better to leave the trade to enforce a mutually agreed contract.

Question (5)—If so, should an appellate authority be set up to arbitrate in case of disputes ?

Answer (5)—Does not arise.

III.—Establishment of Warehouses.

Question (1)—The Reserve Bank of India have prepared a Bill on the subject of the establishment of warehouses for agricultural produce.

Have you any suggestions about it ?

Answer (1)—The principle is good and a start should be made in a few major markets.

Question (2)—What should be the minimum annual turnover of a market where such warehouses should be established ?

Answer (2)—The location and size, etc., will have to be decided to suit each district.

Question (3)—Should these warehouses be (a) under purely Government Control and Supervision, (b) set up by licensed warehousemen and supervised by Government, or (c) a purely private organisation worked by licensed warehousemen.

Answer (3)—Alternative (*b*) is preferable.

SUBSIDIZATION OF FOODGRAINS AND FOODSTUFFS.

Early in the year the Government of India in the Department of Food appointed an Inter-Departmental Committtee under the Chairmanship of Sir Theodore Gregory, to examine in all its bearings, social, financial and administrative, the question of subsidization of foodgrains and foodstuffs in India. In this connection, in order to have a picture of the existing position regarding cheap grain shops and dearness allowances for compensating the rise in the price of foodgrains which had been granted to employees in industrial and commercial establishments in India, the Committee requested the Associated Chambers of Commerce of India to furnish them with a statement showing the existing position in respect of the following matters :—

(1) Cheap grain shops with details of grains sold through these shops and the extent to which their prices were below market prices and the amount of subsidy involved thereby;

(2) Dearness allowances, their relation with the price of foodgrains and foodstuffs, and the extent to which the rise in the cost of living had been offset by the grant of these allowances.

The Associated Chambers requested this Chamber to furnish particulars in respect of the commercial and industrial interests in its membership.

In response to this request the Committee submitted the following answers to the above two questions :—

1. A number of members employing labour had been circularised by the Chamber and from the majority of replies it appeared that where cheap grain shops were established the grain sold was at the Government controlled price. The additional expense of maintaining the grain shop was paid by the firm concerned. The following was a list of the grains sold.

Grains.	*Government controlled prices.* Per paylee Rs. a. p.
Rice No. 1A	3 0 0
Rice No. 1	1 8 0
Rice No. 2	0 13 0
Rice boiled	0 14 0
Wheat	1 0 0
Bajri	0 10 0
Jowar	0 9 0

2. Dearness allowances were granted by practically all members of the Chamber but there was no direct relation with the prices of foodgrains and foodstuffs. Last year the average figure of dearness allowance paid by a selection of members of the Chamber was as follows :—

Menial staff earning Rs. 30 p.m. an addition of 47 per cent.
A clerk earning Rs. 100 p.m. an addition of 26 per cent.
A clerk earning Rs. 200 p.m. an addition of 20 per cent.

The rise in the cost of living could be shown best by the following extract of figures supplied by the Commissioner of Labour, Bombay.

Average from July 1933 to June 1934=100.

Months.	1939	1940	1941	1942	1943	1944
January	105	114	117	137	203	238
February	104	112	119	135	205	230
March	103	110	119	137	208	226
April	103	110	121	138	225	231
May	103	111	122	142	227	235
June	104	111	122	152	232	236
July	105	113	126	168	236	241
August	105	114	131	168	238	250
September ..	106	112	129	170	245	239
October	108	113	125	172	248	239
November ..	109	113	126	178	248	242
December	113	115	129	188	247	236

GENERAL.

GOVERNMENT GROCERY STORES.

In January 1945, the Committee addressed the Associated Chambers of Commerce of India stating that they understood that in the various main cities of India Government grocery stores had been opened where goods were on sale for Government servants only, which were not available to civilians.

The Committee were of the opinion that there could be no justification for discriminatory treatment to Government civilian personnel either in the way of preferential supplies or concessional prices, and if in order to provide goods at concessional prices the cost of the organisation at which the Government stores would be run would have to be met from public funds, then there were very strong objections to these expenses being met from funds which were provided through taxation of all civilians residing in this country.

There was already in existence an organisation controlled by the Food Department of the Government of India known as the Government Food Panel scheme, through which certain essential foodstuffs were being imported for the civilian population (which included Government servants) of this country. These foodstuffs were being distributed to specified retailers at strictly controlled prices and the Committee considered that the requirements of the Government civilian personnel could and should be met through this Panel scheme.

The opening of Government stores in competition with established traders in this country was, in the opinion of the Committee entirely wrong in principle. Imports to this country were limited by reason of availability of shipping space. If Government were utilizing for their own Government shops a considerable quantity of space, this savoured of discriminatory treatment to Government servants at the expense of the civilian population.

The Committee urged that the Associated Chambers should make appropriate representations to the Central Government on the subject.

The Associated Chambers addressed the Department of Industries and Civil Supplies of the Government of India and in reply were informed that Government saw no reason to modify their policy in respect of their civilian grocery shops. Government explained that the rise in prices had affected, most of all, as it inevitably must, the salaried and wage-earning classes. A certain amount of relief had been afforded by way of dearness and other similar allowances to Government servants, but it was considered necessary to supplement this without in any way burdening the taxpayer. One of the most effective ways in which this could be done was to insure supplies of as many of their ordinary requirements as possible at minimum prices. Hence the organization of Government shops.

The Government shops were, it was declared, self-supporting and did not constitute any charge on public funds. Goods were not sold to Government servants at cost price, but at cost price plus a certain margin to allow for the bare running expenditure, while a good deal of work in connection with these shops was not done by specially appointed Government servants, but by Government servants engaged on other works, who undertook this extra responsibility in their spare time. Every possible care was taken to see that what was intended for meeting the requirements of Government servants did not constitute an excessive proportion of the total imports. There was thus no discrimination in favour of the Government servants. Supplies for Government civilian shops further, whenever possible, were arranged direct from exporting countries, thereby cutting out certain intermediaries. Apart from the fact that the cost price was increased by adding a very small margin in profit, it was practically entirely as a result of the elimination of these intermediary stages that Government servants were able through these grocery shops to obtain their requirements at cheaper rates than the general public.

The Government of India added that it was unfortunately unavoidable that this scheme should result in a loss of trade for ordinary importers and other dealers, but this was a development which circumstances had necessitated and which might disappear,

if and when the circumstances which had brought it about also disappeared. Government declared that if the members of the Association would be prepared to consider the placing of goods on sale to the Government servants at the prices at which they were at the moment available in Government shops, the department would then be willing to review its future policy on this question.

The Associated Chambers did not consider the above reply entirely convincing as it did not refute the Associations argument against unfair discrimination between one section of the community and another. Nevertheless it was clear from Government's attitude that further correspondence on the subject would be of no advantage and the question was therefore allowed to drop.

CEYLON SUPPLY CENTRE IN INDIA.

From Press reports published towards the end of February 1945, it appeared that it was proposed to establish a supply centre in India on behalf of the Government of Ceylon in order to canalise the procurement, handling and despatch of all goods.

In addressing the Commerce Department of the Government of India in the matter, the Committee stated that whilst realising that the Government of India were likely to accede to this proposal they took the opportunity to express the hope that care would be taken to see that the existing trade channels were employed to procure the goods to the Ceylon Supply Centre.

INDIAN STANDARDS INSTITUTION.

In December 1945 the Department of Industries and Civil Supplies informed the Chamber that the Government of India had under consideration the question of establishing a Central Standards Organisation in India and had prepared a scheme for the formation of an Indian Standards Institution. The objects for which it was proposed to establish the Institution were :—

(*a*) To prepare and promote the general adoption of standards on International and National basis relating to structures, commodities, materials, practices, operations, matters and things and from time to time to revise, alter and amend the same.

To consider and to recommend to Government national standards for the measurement of length, weight, volume and energy.

(*b*) To promote standardisation, quality control and simplification in industry and commerce.

(*c*) To adopt such measures and take such steps and do all such things as may in the opinion of the General Council, be conducive to the promotion of cordial relations between the Institution and persons interested in the objects of the Institution.

(*d*) To co-ordinate the efforts of producers and users for the improvement of materials, products, appliances, processes and methods.

(*e*) To provide for the registration of standardisation marks applicable to the products commodities, etc., for which it issues standards to be branded on or applied to these products which conform to standards set.

(*f*) To arrange facilities for the examination and testing of commodities, processes and practices and for any investigation or research that may be necessary.

(*g*) To procure the recognition of the Institution in any foreign country or place.

(*h*) To establish, subscribe to, promote, become a member of, support, co-operate or amalgamate with any other association, society, institution or company whether incorporated or not whose objects are altogether or in part similar to those of this Institution.

(*i*) To collect and circulate statistics and other information relative to standardisation in all its branches.

(*j*) To provide for the delivery and holding of lectures, exhibitions, public meetings, classes and conferences calculated to advance directly or indirectly the cause of education in standardisation whether general or technical.

(*k*) To establish, form, furnish, and maintain libraries, museums and laboratories for the purpose of furthering the practice of standardisation.

(*l*) To communicate information to members on all matters affecting the practice of standardisation and to print, publish, issue and circulate such periodicals, books, circulars, leaflets and other literary undertakings as may seem conducive to any of the objects of the Institution.

To achieve these objects, the Institution shall have powers,

(*a*) To undertake and execute any trusts or any agency business which may seem to the Institution conducive to its objects.

(*b*) To originate and promote improvements in the law and support or oppose alterations therein and to effect improvements in administration and for the purpose aforesaid to petition the Crown or any legislative or other body or authority and to promote deputations and to take such steps and proceedings as may be deemed expedient.

(*c*) To establish, undertake, superintend, administer and contribute to a benevolent fund for the servants of the Institution and their dependents.

(*d*) To invest any moneys of the Institution not immediately required for any of its objects in such a manner as may from time to time be determined.

(*e*) To purchase, take on lease or in exchange, hire or otherwise acquire any real and personal property which may be deemed necessary or convenient for any of the purposes of the Institution.

(*f*) To accept any gift of property whatever, subject to any special trust or not for any one or more of the objects of the Institution.

(*g*) To sell, manage, lease, mortgage, dispose of or otherwise deal with all or any part of the property of the Institution.

(*h*) To borrow, raise or secure the payment of money in such a manner as the Institution may think fit and in particular by the issue of bonds, bills of exchange, promisory notes, securities, mortgages, or debentures charged upon all or any part of the Institution's property and to purchase, redeem or pay off any such securities.

(*i*) To transfer all or any part of the property, assets, liabilities and engagements of the Institution to any one or more Institutions, associations, societies or companies whether incorporated or not with which this Institution is authorised to amalgamate, either gratuitously or for consideration.

(*j*) To do all such other lawful things as the Institution may think identical or conducive to the attainment of any or all of the objects of the Institution.

(*k*) To obtain a provisional order, Act of Legislature or a Royal Charter to enable the Institution to carry its objects or any of them into effect.

The Chamber was requested to give its suggestions and observations on the proposed scheme.

The Committee considered the scheme a good one though they were unable to understand why it was proposed to have the Headquarters of the Institution at New Delhi. It seemed to them that the Headquarters should more appropriately be either at Calcutta or Bombay. They also suggested that the Government of India might seek the advice and guidance of the British and American Standards Institutes, or better still obtain the services of a senior official from either of these Institutes to organise the Indian Standards Institution for them.

DELAYS IN PUBLICATION OF LISTS OF PUBLIC HOLIDAYS.

(*See Reports*, 1938, *page* 214 ; 1944, *page* 184.)

It was recorded in the Chamber's Report for 1944, that the Committee had written to the Government of Bombay drawing attention to the late publication of the lists of public holidays and the increase in the number of holidays by the inclusion of a separate day for the "Samvatsari" holiday.

The Government of Bombay explained that the 100 years calendar which used to be helpful in this matter had been exhausted and there had been no further issue of it. Therefore, only after a few panchangs for the following year became available, which was about the beginning of September, was it possible to draw up rough lists of public and sectional holidays. These lists were sent out for verification to the various bodies usually consulted and one or two weeks' time was allowed for this purpose. If there was any difference of opinion among them as to the dates proposed for a particular holiday, references had again to be made to them for reconciling the differences as far as possible. Such differences were not infrequent and when a difference was great, gauging the majority view took time. For example, there was much discussion over the date on which the sectional holiday "Gudhi Padva" should be observed this year. That mainly accounted for the delay in the publication in 1944 of the holidays for 1945. Government promised, however, that every effort would be made to publish the lists of holidays as early as possible.

As regards the declaration of "Samvatsari" as a separate holiday, Government stated that having regard to the fact that the Special Holidays Committee of 1912 had included the only Jain holiday in the list of public holidays, Government had to decide how best to deal with the case that arose if and when the Jain holiday did not coincide with the Hindu holiday "Ganesh Chaturthi." Government was faced with this problem for the first time in 1924 and in that year it decided to declare the Jain festival as a sectional holiday. The matter was again before Government in 1928 when the Bombay Shroff Association represented that the Jain festival "Samvatsari" should be notified as a separate public holiday. Government consulted various commercial associations and other bodies and as the weight of evidence favoured "Samvatsari" being declared as a separate public holiday, Government in that year accepted the principle that it should be declared as a separate public holiday whenever it did not coincide with the Hindu festival "Ganesh Chaturthi." Since then, it had been so declared. When the question of curtailment of holidays in wartime was examined by Government, the question whether "Samvatsari" should be dropped as a public holiday was duly considered and the decision was that it should be retained as such.

In spite of the assurance referred to above, however, the list of holidays to be observed in 1946 was not published till the 13th December 1945, a date even later than any of the dates of publication during the previous ten years.

The Committee, in again addressing the Government of Bombay in the matter, protested most strongly against the continued delay in the notification of the holidays and expressed an earnest hope that steps would be taken to ensure that at least the promise given by Government in 1938 would be fulfilled, i.e. that the holidays would be declared in October every year.

The Government of Bombay in reply stated that the publication of the lists of holidays for 1946 was delayed under circumstances peculiar to this year in which it became necessary to decide in consultation with the Government of India whether the pre-war list of holidays should be restored or not. Government repeated the assurance previously given that the list would be published as early as possible in future.

HOLIDAY FOR HALF-YEARLY CLOSING OF BANKS' ACCOUNTS.

(*See Reports*, 1924, *Vol. I.*, *page* 320 ; 1941, *page* 49 ; 1942, *page* 170; 1943, *page* 143 ; 1944, *page* 184.)

In March 1945, the Government of Bombay under section 25 of the Negotiable Instruments Act declared Monday, 2nd July

1945, to be a public holiday in the City of Bombay to enable Banks to make up their half-yearly accounts.

HOLIDAYS ON ACCOUNT OF GENERAL ELECTIONS.

Under Section 25 of the Negotiable Instruments Act, 1881 (XXVI of 1881) the Government of Bombay declared Monday, 26th November and Tuesday, 27th November 1945, to be public holidays on account of general elections under the Government of India Act, 1935, to the Central Legislative Assembly (*a*) by the Non-Muhammadan, Bombay European and Indian Commerce Constituencies on the 26th November 1945, and (*b*) by the Muhammadan Constituencies on the 27th November 1945.

WEATHER WORKING DAYS.

The following days during the monsoon months of 1945 were declared to half or non-weather working days for vessels in the Docks :—

Thursday,	14th June 1945	..	Non-weather working day ;
Friday,	15th June 1945	..	Non-weather working day ;
Wednesday,	20th June 1945	..	Non-weather working day ;
Thursday,	21st June 1945	..	Half-weather working day ;
Wednesday,	4th July 1945	..	Non-weather working day ;
Thursday,	5th July 1945	..	Non-weather working day ;
Friday,	6th July 1945	..	Non-weather working day ;
Saturday,	7th July 1945	..	Non-weather working day ;
Tuesday,	10th July 1945	..	Half-weather working day ;
Wednesday,	11th July 1945	..	Half-weather working day ;
Monday,	16th July 1945	..	Half-weather working day ;
Wednesday,	18th July 1945	..	Half-weather working day ;
Saturday,	21st July 1945	..	Non-weather working day ;
Monday,	6th August 1945	..	Half-weather working day ;
Saturday,	11th August 1945	..	Half-weather working day ;
Monday,	13th August 1945	..	Non-weather working day ;
Tuesday,	14th August 1945	..	Non-weather working day ;
Wednesday,	15th August 1945	..	Half-weather working day ;
Wednesday,	29th August 1945	..	Half-weather working day ;
Thursday,	6th September 1945	..	Half-weather working day ;
Thursday,	13th September 1945	..	Half-weather working day ;
Saturday,	22nd September 1945	..	Non-weather working day .

The Deputy Conservator of the Port, in consultation with the Harbour Master and a representative of the Chamber, decided that the following days were half or non-weather working days for vessels in the stream :—

Thursday,	14th June 1945	..	Non-weather working day ;
Friday,	15th June 1945	..	Non-weather working day ;
Wednesday,	20th June 1945	..	Non-weather working day ;
Thursday,	21st June 1945	..	Non-weather working day ;
Tuesday,	3rd July 1945	..	Half-weather working day ;

Wednesday,	4th July 1945	.. Non-weather working day;
Thursday,	5th July 1945	.. Half-weather working day;
Friday,	6th July 1945	.. Non-weather working day;
Saturday,	7th July 1945	.. Non-weather working day;
Tuesday,	10th July 1945	.. Half-weather working day;
Wednesday,	11th July 1945	.. Half-weather working day;
Friday,	13th July 1945	.. Half-weather working day;
Monday,	16th July 1945	.. Half-weather working day;
Wednesday,	18th July 1945	.. Half-weather working day;
Saturday,	21st July 1945	.. Non-weather working day;
Monday,	6th August 1945	.. Half-weather working day;
Saturday,	11th August 1945	.. Half-weather working day;
Monday,	13th August 1945	.. Non-weather working day;
Tuesday,	14th August 1945	.. Non-weather working day;
Wednesday,	15th August 1945	.. Half-weather working day;
Thursday,	16th August 1945	.. Half-weather working day;
Saturday,	18th August 1945	.. Half-weather working day;
Thursday,	23rd August 1945	.. Half-weather working day;
Thursday,	6th September 1945	.. Half-weather working day;
Thursday,	13th September 1945	.. Half-weather working day;
Tuesday,	18th September 1945	.. Half-weather working day;
Saturday,	22nd September 1945	.. Non-weather working day;
Tuesday,	25th September 1945	.. Half-weather working day.

LIST OF ACTS AFFECTING COMMERCE AND INDUSTRY PASSED BY THE INDIAN LEGISLATURE DURING THE YEAR 1945.

Central Legislature

I. Indian Tea Control (Amendment).

III. Factories (Amendment).

IV. Indian Companies (Amendment).

V. Indian Merchandise Marks (Amendment).

IX. Indian Patents and Designs (Amendment).

X. Mines Maternity (Amendment).

Indian Finance.

Bombay Provincial Legislature

I. The City of Bombay Municipal (Amendment).

IV. The Bombay Finance (Amendment).

V. The Bombay Rent Restriction (Amendment).

VIII. The Bombay Agricultural Debtors Relief (Amendment).

IX. The City of Bombay Municipal (2nd Amendment).

XI. The Tobacco Duty (Town of Bombay) Act, 1857, and the Bombay (District) Tobacco Act, 1933 (Suspension).

XII. The City of Bombay Municipal (3rd Amendment).

XIII. The Bombay Electricity Surcharge (Validation).

XVI. The Bombay Weights and Measures (Amendment).

XVII. The Greater Bombay Laws and the Bombay High Court (Declaration of Limits).

XVIII. The Bombay Rents, Hotel Rates and Lodging House Rates (Control) (Amendment).

XIX. The Bombay Industrial Disputes (Amendment).

XX. The Land Acquisition (Bombay Amendment).

CHAMBER'S ACCOUNTS.

In presenting the Chamber's accounts for the year 1945 the Committee report that there was an excess of income over expenditure of Rs. 3,143-15-6. The sum of Rs. 17,533-15-4 has been credited to the revenue account. This is made up of refunds of Excess Profits Tax after adjustment of income-tax for the assessment years 1944-45 and 1945-46. The receipts from membership subscriptions show an increase of Rs. 3,570 over those of the previous year. Measurement fees dropped by Rs. 17,075-15-0, while fees for Certificates of Origin show an increase of Rs. 774.

The total income for the year shows an increase of Rs. 10,272-0-4 over the previous year while the total expenditure shows an increase of Rs. 12,574-8-5.

C. P. BRAMBLE,
President.

A. D. FINNEY,
Member of Committee.

C. H. COURTHOPE-MUNROE,
Secretary.

BOMBAY, 28*th February*, 1946.

THE BOMBAY CHAMBER OF COMMERCE.

(Incorporated under the Indian Companies Act, 1913.)

Balance Sheet as at 31st December, 1945.

LIABILITIES.				ASSETS.				
Outstanding Bills—								
Sundry Creditors			8,021 3 8	Office Furniture— Estimated value as on 31st December 1928 less sales to 31st December 1935		7,525 0 0		
Advance Receipts			4,485 4 0					
Reserve for passages			2,045 2 6	Addition at cost— In previous years		8,553 13 0		
Reserve for Taxation—								
As per last Balance Sheet	8,698 5 4					16,078 13 0		
Add—E. P. T. Refunded during the year	23,839 0 0			*Less*—Depreciation— In previous years	14,779 6 0			
	32,537 5 4			In this year	240 4 0			
Less—						15,019 10 0	1,059 3 0	
Income Tax paid for 1944-45 and 1945-46 assessments	15,003 6 0			Measurement Furniture— At cost		402 8 0		
	17,533 15 4							
Transferred to Income and Expenditure account	17,533 15 4			*Less*—Depreciation— In previous years	325 10 0			
			.....	In this year	66 6 0			
Reserve for Depreciation of Investments— As per last Balance Sheet			10,162 8 0			392 0 0	10 8 0	
Accumulated Funds—				Measurement Department Chowkies—				
As per last Balance Sheet	3,63,165 13 2			At cost		3,888 1 0		
Add—Excess of Income over Expenditure (as per annexed Account) ..	3,143 15 6			*Less*—Depreciation— In previous years	3,036 7 0			
			3,66,309 12 8	In this year	567 12 0			
						3,604 8 0	283 14 0	

		Investments—			
		At cost			3,41,478 7
		(Market Value Rs. 3,48,706-4-0)			
		Advances and Deposits—			
		Due from the National Service Advisory Committee	10 5 6		
		Due from the Government of India, in respect of the cost of telegrams	182 0 0		
		Refund of Property Tax (since recovered Rs. 31-4-0)	31 10 0		
		Deposit with the Government of India, Publication Branch	100 0 0		
		Deposit with the Central Telegraph Office, Bombay	200 0 0		
		Excess Profits Tax Deposit	4,894 0 0		
		Advance Payments of Tax and Super Tax for the assessment years 1945-46 and 1946-47 (Since refunded Rs. 12,134-9-0)	22,329 6 0		
		Income Tax and Surcharge deducted at source on Interest on Investments during 1945	2,981 6 9		30,728 12 3
		Cash and other balances—			
		In hand	106 3 0		
		With the Imperial Bank of India in Current Account	18,261 15 7		18,368 2 7
Rs.	8,91,923 14 10			Rs.	8,91,923 14 10

C. P. BRAMBLE,
President.

A. D. FINNEY,
Member of Committee.

C. H. COURTHOPE-MUNROE,
Secretary.

BOMBAY, *28th February*, 1946.

LIBRARY
OF THE
BOMBAY
BRANCH
OF THE
ASIATIC SOCIETY

THE BOMBAY CHAMBER OF COMMERCE.

(Incorporated under the Indian Companies Act, 1913.)

Dr. *Income and Expenditure Account for the year ended 31st December 1945.* *Cr.*

EXPENDITURE.				INCOME.			
To—				By—			
Subscriptions—							
Federation of Chambers of Commerce of the British Empire ..	29 3 0			Members' Subscriptions ..			77,490 0 0
Associated Chambers of Commerce of India	640 0 0			*Statistical Department—*			
		669 3 0		Returns..	17,730 14 0		
Chamber Office.				Special Returns ..	4,255 8 0		
Salaries and Dearness Allowances ..	75,288 0 0			Sundries..	316 15 0		
Rent	7,752 0 0					22,303 5 0	
Printing Miscellaneous Papers, Annual Report for 1944, etc.	6,062 8 0			*Measurement Department—*			
Advertisements	54 0 0			Measurement Fees ..	1,03,846 9 6		
Books and Periodicals	564 5 6			Weighment and Sampling Fees	6,694 7 6		
Stationery	1,170 6 0			Sundries	1,073 0 0		
General Charges..	2,864 8 3					1,11,614 1 0	
Telephone	656 11 0			*Arbitration and Certificates—*			
Insurance—				Arbitrations	10 0 0		
Fire	14 1 0			Certificates :			
Cash in Transit	132 2 0			Origin	9,378 0 0		
Employer's Indemnity	180 9 0			Refraction	720 0 0		
Contribution to the Provident Fund ..	5,596 0 0					10,108 0 0	
Law Charges	277 0 0			*Sundries*		240 8 0	
Audit Fee	250 0 0			*Interest on Investments—*			
Motor Car Upkeep	2,579 1 0			Taxed at source ..		10,243 12 0	
Replacements to Car	239 15 0						
Furniture Depreciation	240 4 0			*Transferred from Reserve for Taxes Account* ..		17,533 15 4	
Bonus to Staff	2,798 0 0						
		1,06,719 6 9					
Statistical Department.							
Salaries and Dearness Allowances ..	*27,932 0 0*						
Do. do. do. *Typists*	5,484 0 0						
Cyclostyling	5,066 1 0						
Printing	558 8 0						
Contribution to the Railways	1,912 11 0						
Books and Periodicals	12 4 0						
Stationery	229 0 6						
Petty Charges	837 0 3						
Contribution to the Provident Fund ..	2,231 6 8						
Bonus to Staff	1,131 0 0						
		45,393 15 5					
Measurement Department.							
Salaries and Dearness Allowances ..	78,475 0 0						
Printing	239 0 0						
Stationery	242 15 0						
Telephone	382 5 0						
Bonus to Staff	2,737 8 0						
Petty Charges	1,890 10 0						
Labour and Hire of Scales	571 8 0						
Furniture Depreciation	634 2 0						
Contribution to the Provident Fund ..	5,309 6 8						
Pensions	120 0 0						
Repairs to Chowkies	390 0 0						
		90,992 6 8					
Travelling Expenses	1,614 10 0						
Passages	1,000 0 0						
		2,614 10 0					
		2,46,389 9 10					
Balance, being excess of Income over Expenditure, transferred to Accumulated Funds		3,143 15 6					
	Rs.	2,49,533 9 4			Rs.	2,49,533 9 4	

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REPORT OF THE AUDITORS TO THE MEMBERS.

We have audited the foregoing Balance Sheet of the Bombay Chamber of Commerce as at the 31st day of December 1945, and also the foregoing Income and Expenditure Account for the year ended upon that date, and report that—

(a) we have obtained all the information and explanations which we have required;

(b) in our opinion, the foregoing Balance Sheet and Income and Expenditure Account are drawn up in conformity with the law;

(c) such Balance Sheet exhibits a true and correct view of the state of the Chamber's affairs according to the best of our information and the explanations given to us and as shown by the books of the Chamber, and

(d) in our opinion, books of account have been kept by the Chamber as required by Section 130 of the Indian Companies Act, 1913.

C. P. Bramble,
President.

A. D. Finney,
Member of Committee.

Sharp & Tannan,
Chartered Accountants,
Registered Accountants,
Auditors.

C. H. Courthope-Munroe.
Secretary.

Bombay, *28th February*, 1946.

THE BOMBAY CHAMBER OF COMMERCE PROVIDENT FUND.

Statement of Accounts from 1st January to 31st December 1945.

Members' Accounts			
Balance brought forward	....		4,02,028 6 4
Add—			
Subscriptions received from members	13,136 13 4		
Contributions paid by the Chamber	13,136 13 4		
Interest received and accrued	13,202 8 6		
		39,476 3 2	
		4,41,504 9 6	
Deduct—			
Paid to members (inclusive of interest)	164 2 4		
Non-repayable withdrawals (Rule 28 (4))	366 0 0		
Transferred to Lapses and Forfeitures Account	164 0 3		
		694 2 7	
Balance at Credit of Members	....		4,40,810 6 11
Lapses and Forfeitures Account—			
Balance brought forward	14,876 6 7		
Forfeited during the year	164 0 3		
		15,040 6 10	
		4,55,850 13 9	

Held thus—

	Face Value.	Market value on 31st December 1945.	Cost Price.
2½ % Loan 1948-52 Stock	15,000	15,018 12 0	14,894 8 6
3 % Defence Bonds 1946 Stock	50,000	50,875 0 0	50,000 0 0
3 % Loan 1949-52 Stock	21,000	21,354 6 0	21,000 0 0
3 % „ 1951-54 „	72,500	73,587 8 0	72,168 12 0
3 % „ 1953-55 „	18,000	18,258 12 0	18,000 0 0
3 % „ 1963-65 „	1,33,000	1,32,002 8 0	1,30,611 9 0
3½ % „ 1947-50 „	27,300	28,204 5 0	26,914 8 0
4 % „ 1960-70 „	61,500	69,533 7 0	60,386 2 0
3 % „ Victory Loan 1957 Stock	21,000	21,105 0 0	20,975 10 0
3 % „ 2nd Victory Loan 1959-61 Stock..	18,500	18,476 14 0	18,500 0 0
	4,37,800	4,48,416 8 0	4,33,451 1 6
Less—Appreciation at this date		14,965 6 6	
		4,33,451 1 6	
Interest accrued on investments			3,382 13 0
Due by Chamber of Commerce			12 5 4
Cash with the Imperial Bank of India, in current account			19,004 9 11
			Rs. 4,55,850 13 9

Examined and found correct.

Sharp & Tannan,
Chartered Accountants,
Registered Accountants,
Auditors.

C. P. Bramble,
President.

A. D. Finney,
Member of Committee.

C. H. Courthope-Munroe,
Secretary.

Bombay, 28*th February*, 1946.

Report

OF THE

Bombay Chamber of Commerce

FOR THE YEAR 1945

CORRESPONDENCE, DOCUMENTS
AND STATISTICS

POST-WAR RATING POLICY.

NOTE ON THE PROPOSALS OF THE INDIAN RAILWAY CONFERENCE ASSOCIATION.

1. At their meeting held in January 1945 the Indian Railway Conference Association recommended to the Railway Board a scheme for a comprehensive revision of the rating policy and practice to be adopted by railways for through goods traffic in the post-war period. The existing rating policy and practice has been evolved from the experience of many years. It has assisted the development of the country's resources and has secured to railways the revenue necessary to enable them to fulfil their functions. While the structure achieved by years of experience cannot lightly be set aside, railways realise that the present system has drawbacks which can be eliminated. Further, certain recent developments and future possibilities have indicated that a revision of rating policy and procedure whereby those aspects of it which are sound can be retained, the undesirable or unnecessary features eradicated, and new features adopted, will be not only in the interests of railways but is necessary to assist further development of the trade and industry of the country. In formulating their proposals the Indian Railway Conference Association have taken the following important factors into account :—

(1) With the recent acquisition of the B. N. Ry. by the Government of India, all railways are now owned and managed by the Government of India except those owned and managed by Indian States, and a number of small railways. Accordingly, in future it should be possible to take a wider view of the interests and revenue of railways, and largely to avoid the practice of fixing rates in relation to the interests of individual railways which was inevitable when numerous important railways were operated or owned by companies.

(2) The large scale on which railways have found it necessary to quote special rates (i.e., schedule rates and station-to-station rates) indicates that the basic rates (i.e., class rates) are not suitable to secure the free movement of goods between all points. It is, therefore, desirable to devise new basic rates which will be of more widespread utility.

(3) As a result of the large number of special rates quoted, and of individual railways having found it necessary to introduce various expedients to suit their local conditions, certain anomalies have arisen and the ascertainment of the correct rates and routes for traffic has become a matter of increasing difficulty not only for the public, but also for railway staff. Simplification of rating procedure is desirable to avoid these difficulties.

(4) War-time experience has shown that considerable benefit has been secured by routing traffic by the most economical routes and encouraging the full loading of wagons, which it is desirable to continue in peace.

(5) The future growth of industrialisation in India, and of other means of transport, requires the railway rates structure to be as elastic and simple as possible to assist railways in playing their full part in developing trade and co-ordinating with other forms of transport.

2. Members are aware that railway rates are of three main descriptions. There are, firstly, 16 class rates into one or other of which all commodities are placed. Certain commodities which are susceptible to damage, loss or deterioration in transit are placed in two classes, one for carriage at Railway Risk and another, and lower one, for carriage at Owner's Risk. The class rates are, for the main part, uniform for all railways, but most railways have exceptions applicable to certain commodities. The class rates are generally the same for wagon loads as for "smalls." Secondly, there are schedule rates, which are scale rates quoted by individual railways over their own systems and are applied to those commodities for which the class rates are considered unsuitable. Thirdly, there are station-to-station rates which are lower than the class or schedule rates and are quoted for special movements of traffic. There are various types of station-to-station rates—between two specific stations (e.g., Bombay to Lucknow); between one station and all stations reached via a junction with another railway (e.g., Bombay to via Nagpur); between one station and a junction for traffic to a particular station on another railway (e.g., Bombay to via Cawnpore for traffic to Lucknow); and for traffic coming on to a railway from another railway via one junction and passing on to a third railway via another junction (e.g., via Cawnpore to via Nagpur.) Station-to-station rates are quoted either over each individual railway by the railway concerned, or over two or more railways by agreement between the railways interested. In order to ascertain the rate for any movement of through goods traffic, it is necessary to calculate the cheapest rate by reference to the tariffs of the different railways. The cheapest rate may be either the sum of the class, schedule or station-to-station rates in force over the various railways between the stations concerned, or a combination of these rates, and it is often necessary to check the rates by several routes in order to ascertain the cheapest route. This is particularly necessary where schedule and station-to-station rates are concerned, as the varying bases upon which railways quote these rates not infrequently cause longer routes to be cheaper than the shortest route. In addition to the varieties of rates mentioned above, railways also levy various supplementary

charges, such as terminal charges, transhipment charges and short-distance charges. There are considerable variations in the practices adopted by individual railways in respect to these charges.

3. The Indian Railway Conference Association has come to the conclusion that much of the complications arising owing to these various rates is chiefly because the existing class rates are no longer suitable as effective rates for more than a small proportion of the goods traffic carried by railways. These class rates are on a flat basis, i.e., the rate per maund increases in direct ratio to distance (the rate for 400 miles is twice that for 200 miles, and the rate for 2,000 miles five times that for 400 miles). This arrangement is considered to be incorrect, because in a country of the size of India it ignores the ultimate capacity of commodities to pay for transport, and also overlooks the fact that the cost to railways of carrying traffic does not increase proportionately to distance. It has, therefore, been recommended that the present class rates be abolished and replaced by class rates on a telescopic basis, i.e., rates, the basis of which decreases as the distance increases, so that the rate for 400 miles will be less than twice that for 200 miles and the rate for 2,000 miles will be less than five times the rate for 400 miles. The telescope will commence at about 100 miles and will continue until about 1,500 miles, after which there will be no increase in rate, i.e., the rate calculated on the scale of a telescopic class rate for 1,500 miles or thereabouts will apply to traffic carried for all greater distances. It has further been recommended that the telescopic class rates shall apply on continuous mileage, that is to say, the rates will be calculated on the total distance from the forwarding to the destination station irrespective of the number of railways concerned in the transit. Thus, it will only be necessary to ascertain the total mileage in order to calculate a through rate and reference to junction rate lists or other documents of each railway will not be necessary. These telescopic class rates will apply to traffic in small lots (i.e., less than wagon loads), and in order to encourage traffic to be consigned in wagon loads a percentage deduction will be made at all distances for all commodities which comply with the minimum weight conditions to be fixed. Alternative class rates at Owner's Risk will continue to be quoted, where justified, as at present. Thus, if a commodity is classified both at Railway Risk and at Owner's Risk, there will be four alternative class rates available :—

(i) A telescopic class rate for traffic carried at Railway Risk in small lots.

(ii) A percentage deduction from (i) for traffic in wagon loads at Railway Risk.

(iii) A telescopic class rate for traffic carried at Owner's Risk in small lots.

(iv) A percentage deduction from (iii) for traffic in wagon loads at Owner's Risk.

It is also proposed to increase the number of classes (at present 16) to the extent necessary to make them effective rates for the greatest possible volume of traffic. In particular, additional classes will be introduced below the present lowest class rate to contain the cheaper mineral ores and other commodities which hitherto have scarcely ever been able to bear the existing class rate. This will, of course, involve the reclassification of these commodities, and alterations in the classification of some commodities in other classes will probably also be required. Chambers of Commerce and other trade interests will no doubt be consulted in regard to such changes contemplated, as usual.

4. Under the proposal for telescopic class rates just outlined, the classification of commodities and the bases of the telescopic class rates will be uniform over all railways in India. The Indian Railway Conference Association consider that this proposal is one which will secure a very large degree of simplicity and ease in ascertaining rates and will also, by removing the artificial barriers which at present exist at junctions between railways, do much to encourage a free movement of traffic. It is intended that these telescopic class rates shall be fixed in relation to the actual rates which traffic has been paying in the past, so that they will be suitable operative rates for a substantial volume of traffic. By this means it is hoped to remove the necessity for the quotation by railways of numerous exceptions and special rates which have hitherto been necessary.

5. Other important changes have also been recommended. Detailed investigations by a senior officer have shown that telescopic class rates can be devised which for many distances will approximate to the level of various schedule rates now in force on different railways. The retention of schedule rates will therefore be unnecessary and the Indian Railway Conference Association have recommended that they be abolished in through booking. Thus the future rates structure will consist of only two kinds of rates—telescopic class rates and station-to-station rates. As regards station-to-station rates, it has been recommended that they be quoted only between specific forwarding and receiving stations (e.g., Bombay to Lucknow) and that all other types of station-to-station rates be abolished. The reason for this is that the quotation of station-to-station rates to or from via junctions has been found to complicate the ascertaining of rates, to have repercussions on traffic not contemplated when they were introduced, and to cause

traffic to move by circuitous routes. These disabilities will be removed, and it will be possible to ascertain a through station-to-station rate from the tariff of either the receiving or the forwarding railway.

6. It will be appreciated that under the scheme of telescopic class rates explained in para. 3, the cheapest rate between any two stations will be by the shortest route. The Indian Railway Conference Association have recommended that all goods traffic shall be carried by the shortest route to the maximum extent justified. The shortest route will not, for example, be utilised if it would involve heavy expenditure on providing facilities for dealing with extra traffic on some routes, or wastage of facilities on existing routes. Further, it is recognised that transhipment from one gauge to another not only increases the risk of damage to or loss of goods, but involves railways in additional expenditure in providing facilities for and handling goods to be transhipped, and causes detention to wagons. It has, therefore, been recommended that where an alternative route is available by which transhipment is not involved, this route shall carry the traffic at the rates available by the shortest route, subject to a limitation on the additional mileage involved. It is anticipated that this arrangement will lead to operating economies and reduce the incidence of damage to or loss of goods.

7. The above are the most important of the proposals made by the Indian Railway Conference Association. Numerous other matters of less importance have also been dealt with, and some of these are mentioned below :—

(*a*) *Terminal charges.*—There is a great variety of terminal charges in force due to differing conditions on railways. It has not been found possible to achieve complete uniformity, but it has been recommended that a limited number of standard terminal charges be devised.

(*b*) *Transhipment charges.*—Here also there is considerable diversity of practice on railways, but uniformity is more easy to achieve than with terminal charges, and a standard transhipment charge of 3 pies per maund has been recommended for all break of gauge junctions.

(*c*) *Short distance charge.*—This charge of 3 pies per maund may at present be levied by any railway carrying traffic for a distance less than 75 miles. It has thus been possible for the charge to be levied more than once in one journey. It has been recommended that in future this charge should only be levied where the total distance over which traffic is carried is less than 75 miles.

(*d*) *Rates on certain hill and light railways.*—Certain of these railways are at present empowered to charge rates on an exceptionally high basis on account of their special operating conditions. As this would make it impossible to apply the proposed telescopic class rates on continuous mileage, it has been recommended that in such cases the higher basis of rates should be replaced by a suitable inflation of the actual mileage.

(*e*) *Division of earnings.*—Recommendations have been made for standard methods of dividing the earnings derived from goods traffic between the railways concerned. This does not directly concern the public, but it is anticipated that these proposals will assist in the more rapid quotation of rates and reduce the volume of work in accounts offices.

(*f*) *Rates Registers.*—It has been recommended that Rates Registers be introduced on all railways as soon as possible. The desirability of introducing these registers has been recognised for some time, but progress has had to be deferred during the war. The revised rating structure recommended should enable the registers to be introduced more rapidly. When these registers are introduced correct rates will be ascertainable at stations without the necessity of referring to tariffs. This will assist the public to obtain prompt and accurate information regarding rates and will also reduce the liability of station staff to make errors in charging traffic.

(*g*) *Alterations in rates.*—It has been recommended that no enhancement of rates (except the cancellation of unused rates) be effected without giving 3 months' notice to the public and other railways. The present period is one month. At present no advance notice of reduction in rates is required to be given, but it has been recommended that in future 7 days' notice be given to the public, through the medium of the Press wherever possible, except when reductions are necessary with retrospective effect.

8. Members will realise that the far-reaching proposals outlined above cannot be brought into force quickly. The proposal to adopt telescopic class rates on continuous mileage is a very radical departure from existing practice and one which might involve considerable sacrifice of revenue, particularly on "smalls" traffic, unless great care is taken in fixing the level of the rates. It is probable that these rates will develop new traffic, while certain of the other proposals will reduce operating expenditure, but it is not possible to estimate the extent to which these developments and savings will materialise. Further investigation is therefore necessary in order to devise suitable scales for the telescopic class rates and to settle numerous other details, and it has been recommended that a Special Rates Officer in the Administrative Grade, assisted by rates officers of certain railways,

be appointed for this purpose. When this officer has completed his investigations, it is proposed to make an experiment with the application of telescopic class rates on continuous mileage to selected items of traffic coming under the description of " Essential Food-stuffs " which move in large quantities all over the country. It is not proposed that this experiment should await the end of hostilities, but if the Railway Board accept the recommendations of the Indian Railway Conference Association it is hoped to take immediate steps to appoint the special officer referred to above, and thereafter proceed with the experiment. The results and experience obtained from this experiment will enable rapid progress to be made to implement the complete proposals.

THE INDIAN FINANCE ACT, 1945.

An Act to give effect to the financial proposals of the Central Government for the year beginning on the 1st day of April, 1945.

WHEREAS it is expedient to fix the duty on salt manufactured in, or imported by land into, British India, to fix maximum rates of postage under the Indian Post Office Act, 1898 (VI of 1898), to continue for a further period of one year the additional duties of customs imposed by section 6 of the Indian Finance Act, 1942 (XII of 1942) and to modify certain of those duties, to alter the duty of customs and the duty of excise on tobacco, to fix rates of income-tax and super-tax, and to continue the charge and levy of excess profits tax;

It is hereby enacted as follows :—

1. *Short title and extent.*—(1) This Act may be called, the Indian Finance Act, 1945.

(2) It extends to the whole of British India.

2. *Fixation of salt duty.*—The duty on salt manufactured in, or imported by land into, British India shall, for the year beginning on the 1st day of April, 1945, be at the rate of one rupee and nine annas per standard maund.

3. *Inland postage rates.*—For the year beginning on the 1st day of April, 1945, the Schedule contained in the First Schedule to this Act shall be inserted in the Indian Post Office Act, 1898 (VI of 1898), as the First Schedule to that Act.

4. *Continuation of, and enhancement of, additional duties of customs imposed by section* 6, *Act XII of* 1942.—(1) The additional duties of customs on certain goods chargeable with a duty of customs under the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934), or under the said Schedule read with any notification of the Central Government for the time being in force, imposed up to the 31st day of March, 1943, by section 6 of the

Indian Finance Act, 1942 (XII of 1942), and continued, subject to certain modifications, up to the 31st day of March, 1945, by section 4 of the Indian Finance Act, 1944, shall continue to be levied and collected as provided in section 6 of the Indian Finance Act, 1942 (XII of 1942), up to the 31st day of March, 1946, subject to the modifications contained in sub-section (2).

(2) The additional duty to be levied and collected under the foregoing sub-section shall be one-half instead of one-fifth of the amount of the duty of customs specified in the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934), in the case of spirits, comprised in Item No. 22 (4) and in sub-items (a), (c) and (d) of Item No. 22 (5) of the said Schedule; and no such additional duty shall be levied or collected on tobacco comprised in Items Nos. 24, 24 (1), 24 (2) and 24 (3) of the said Schedule.

5. *Alteration of duty of customs on tobacco.*—In the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934),—

(*a*) in Item No. 24, for the entry in the fourth column the entry "Rs. 8 per lb." shall be substituted;

(*b*) in Item No. 24 (1), for the entry in the fourth column the following shall be substituted, namely :—

"The rate at which duty is for the time being leviable on articles included in Item No. 87 of this Schedule under this Act read with any other enactment in force, plus Rs. 7-8 per lb.";

(*c*) in Item No. 24 (2), for the entry in the fourth column the following shall be substituted, namely :—

"The rate at which duty is for the time being leviable on articles included in Item No. 87 of this Schedule under this Act read with any other enactment in force plus Rs. 18-12 per thousand or Rs. 7-8 per lb. whichever is higher";

(*d*) in Item No. 24 (3), for the entries in the fourth and sixth columns, respectively, the entries "Rs. 7-8 per lb." and "Rs. 7 per lb." shall be substituted.

6. *Alteration of duty of excise on tobacco.*—In the First Schedule to the Central Excises and Salt Act, 1944 (I of 1944), in Item No. 9, under the heading "I, Unmanufactured tobacco",—

(*a*) for the entries (i), (ii) and (iii) contained in sub-item (1) beginning—

"(1) if flue-cured and intended for—

(*a*) manufacture into cigarettes containing—"

the following shall be substituted, namely—

"(*i*) more than 60 per cent. weight of imported tobacco	Per lb. Seven rupees and eight annas.

(*ii*)	more than 40 per cent. but not more than 60 per cent. weight of imported tobacco	Per lb. Five rupees.
(*iii*)	more than 20 per cent. but not more than 40 per cent. weight of imported tobacco	Three rupees and eight annas.
(*iv*)	20 per cent. or less than 20 per cent. weight of imported tobacco	Two rupees and eight annas.
(*v*)	no imported tobacco	One rupee ";

and in the second column of clause (b) of that sub-item, for the words "Three rupees and eight annas" the words "Seven rupees and eight annas" shall be substituted;

(*b*) in sub-item (4), the word "stems" shall be omitted.

7. *Income-tax and super-tax.*—(1) Subject to the provisions of sub-sections (3), (4) and (5),—

(*a*) income-tax for the year beginning on the first day of April, 1945, shall be charged at the rates specified in Part I of the Second Schedule increased in each case by a surcharge for the purposes of the Central Government at the rate specified therein in respect of each such rate of income-tax, and

(*b*) rates of super-tax for the year beginning on the 1st day of April, 1945, shall, for the purposes of section 55 of the Indian Income-tax Act, 1922 (XI of 1922), be those specified in Part II of the Second Schedule increased in the cases to which paragraphs A, B and C of that Part apply by a surcharge for the purposes of the Central Government at the rate specified therein in respect of each such rate of super-tax.

(2) If any provision is made in the Indian Income-tax Act, 1922 (XI of 1922), for the exemption from income-tax of a portion of the earned income included in the total income of an assessee, then, in making any assessment for the year ending on the 31st day of March, 1946, there shall be deducted from the total income of an assessee in accordance with such provision an amount equal to one-tenth of such earned income exclusive of any income chargeable under the head "salaries" but not exceeding in any case two thousand rupees.

(3) In making any assessment for the year ending on the 31st day of March, 1946, where the total income of an assessee, not being a company, includes any income chargeable under the head "salaries" or under the head "interest on securities" or any income from dividends in respect of which he is deemed under section 49B of the Indian Income-tax Act, 1922 (XI of 1922), to have paid income-tax imposed in British India, the income-tax payable by the assessee on that part of his total

income which consists of such inclusions shall be an amount bearing to the total amount of income-tax payable according to the rates applicable under the operation of the Indian Finance Act, 1944, on his total income the same proportion as the amount of such inclusions bears to his total income.

(4) In making any assessment for the year ending on the 31st day of March, 1946,—

(*a*) where the total income of a company includes any profits and gains from life insurance business, the super-tax payable by the company on that part of its total income which consists of such inclusion shall be at the rate of six pies in the rupee ;

(*b*) where the total income of an assessee, not being a company, includes any profits and gains from life insurance business, the income-tax and super-tax payable by the assessee on that part of his total income which consists of such inclusion shall be an amount bearing to the total amount of such taxes payable according to the rates applicable under the operation of the Indian Finance Act, 1942 (XII of 1942), on his total income the same proportion as the amount of such inclusion bears to his total income, so, however, that if the aggregate of the taxes so computed in respect of such inclusion exceeds the aggregate of the taxes on the same income payable by a company under the operation of the Indian Finance Act, 1942 (XII of 1942), the taxes payable on such inclusion shall be computed at the rates applicable to a company under the operation of the said Act.

(5) In cases to which section 17 of the Indian Income-tax Act, 1922 (XI of 1922), applies, the tax chargeable shall be determined as provided in that section but with reference to the rates imposed by sub-section (1) of this section, and in accordance with the provisions of sub-sections (3) and (4) of this section where applicable.

(6) For the purposes of this section and of the rates of tax imposed thereby, the expression " total income " means total income as determined for the purposes of income-tax or super-tax, as the case may be, in accordance with the provisions of the Indian Income-tax Act, 1922 (XI of 1922) ; and the expression " earned income " means earned income as defined for the purposes of the said Act.

(7) Where the total income of an assessee referred to in paragraph A of Part I of the Second Schedule does not exceed six thousand rupees, an amount representing one rupee for every complete unit of two hundred rupees of his total income as reduced by the income, if any, exempt from tax under any provision of the Indian Income-tax Act, 1922 (XI of 1922), or any notification issued thereunder shall be funded for the assessee's

benefit and shall be paid to him on such date not more than twelve months after the termination of the present hostilities, as the Central Government may fix :

Provided that the amount to be funded for the assessee's benefit shall in no case exceed two-fifths of the tax payable by him.

Explanation.—In computing the amount to be funded under this sub-section if there is an incomplete unit amounting to one hundred rupees or more it shall be reckoned as a complete unit of two hundred rupees.

(8) Notwithstanding anything contained in sub-section (7) of section 6 of the Indian Finance Act, 1944, the amount to be funded for the assessee's benefit under the provisions of that sub-section shall in no case exceed two-fifths of the amount of tax payable by him in respect of his assessment for the year ending on the 31st day of March, 1945.

(9) The provisions of section 23A of the Indian Income-tax Act, 1922 (XI of 1922), shall not apply in respect of profits and gains of the previous year for the assessment for the year ending on the 31st day of March, 1946.

8. *Continuance of and rate of excess profits tax.*—(1) In sub-clause (a) of clause (6) of section 2 of the Excess Profits Tax Act, 1940 (XV of 1940), for the words and figures "31st day of March, 1945," the words and figures "31st day of March, 1946," shall be substituted.

(2) The excess profits tax imposed by section 4 of the Excess Profits Tax Act, 1940 (XV of 1940), shall, in respect of any chargeable accounting period beginning after the 31st day of March, 1945, be an amount equal to sixty-six and two-thirds per cent. of the amount by which the profits of the business during that chargeable accounting period exceed the standard profits.

THE FIRST SCHEDULE

Schedule to be inserted in the Indian Post Office Act, 1898.

(*See* section 3)

"THE FIRST SCHEDULE

INLAND POSTAGE RATES

(*See* section 7)

Letters	
For a weight not exceeding one tola	One and a half annas.
For every tola, or fraction thereof, exceeding one tola	One anna.

Postcards

Single	Nine pies.
Reply	One and a half annas.

Book, Pattern and Sample Packets

For the first five tolas or fraction thereof ..	Nine pies.
For every additional two and a half tolas, or fraction thereof, in excess of five tolas ..	Three pies.

Registered Newspapers

For a weight not exceeding ten tolas	Quarter of an anna.
For a weight exceeding ten tolas and not exceeding twenty tolas	Half an anna.
For every twenty tolas, or fraction thereof exceeding twenty tolas	Half an anna.
In the case of more than one copy of the same issue of a registered newspaper being carried in the same packet—	
For a weight not exceeding ten tolas ..	Half an anna.
For every additional five tolas, or fraction thereof, in excess of ten tolas	Quarter of an anna.
Provided that such packet shall not be delivered at any addressee's residence but shall be given to a recognised agent at the post office.	

Parcels

For a weight not exceeding forty tolas ..	Six annas.
For every forty tolas, or fraction thereof, exceeding forty tolas	Six annas."

THE SECOND SCHEDULE

(*See* section 7)

PART I

Rates of Income-tax

A.—In the case of every individual, Hindu undivided family, unregistered firm and other association of persons not being a case to which paragraph B of this Part applies :—

	Rate	*Surcharge*
1. On the first Rs. 1,500 of total income	*Nil.*	*Nil.*
2. On the next Rs. 3,500 of *total income*	Nine pies in the rupee.	Six pies in the rupee.
3. *On the next Rs. 5,000 of total income*	One anna and three pies in the rupee.	Ten pies in the rupee.
4. *On the next Rs. 5,000 of total income*	Two annas in the rupee.	One anna and six pies in the rupee.
5. On the balance of total income	Two annas and six pies in the rupee.	Two annas and three pies in the rupee.

Provided that—

(i) no income-tax shall be payable on a total income which, before deduction of the allowance, if any, for earned income, does not exceed Rs. 2,000 ;

(ii) the income-tax payable shall in no case exceed half the amount by which the total income (before deduction of the said allowance, if any, for earned income) exceeds Rs. 2,000 ;

(iii) the income-tax payable on the total income as reduced by the allowance for earned income shall not exceed either—

(a) a sum bearing to half the amount by which the total income (before deduction of the allowance for earned income) exceeds Rs. 2,000 the same proportion as such reduced total income bears to the unreduced total income, or

(b) the income-tax payable on the income so reduced at the rates specified in this Schedule,

whichever is less.

B.—In the case of every company and local authority, and in every case in which under the provisions of the Indian Income-tax Act, 1922, income-tax is to be charged at the maximum rate—

	Rate	*Surcharge*
On the whole of total income...	Two annas and six pies in the rupee.	Two annas and three pies in the rupee.

PART II

Rates of Super-tax

A.—In the case of every individual, Hindu undivided family, unregistered firm and other association of persons, not being a case to which paragraphs B and C of this Part apply—

		Rate	*Surcharge*
1.	On the first Rs. 25,000 of total income.	*Nil.*	*Nil.*
2.	On the next Rs. 10,000 of total income.	One anna in the rupee.	One anna in the rupee.
3.	On the next Rs. 20,000 of total income.	Two annas in the rupee.	Two annas in the rupee.
4.	On the next Rs. 70,000 of total income.	Three annas in the rupee.	Two annas and six pies in the rupee.
5.	On the next Rs. 75,000 of total income.	Four annas in the rupee.	Three annas in the rupee.
6.	On the next Rs. 1,50,000 of total income.	Five annas in the rupee.	Three annas in the rupee.
7.	On the next Rs. 1,50,000 of total income.	Six annas in the rupee.	Three annas in the rupee.
8.	On the balance of total income.	Seven annas in the rupee.	Three annas and six pies in the rupee.

B.—In the case of every local authority—

	Rate	*Surcharge*
On the whole of total income....	One anna in the rupee.	One anna in the rupee.

C.—In the case of an association of persons being a co-operative society, other than the Sanikatta Saltowners' Society in the Bombay Presidency, for the time being registered under the Co-operative Societies Act, 1912,

or under an Act of the Provincial Legislature governing the registration of Co-operative Societies—

	Rate	*Surcharge*
1. On the first Rs. 25,000 of total income.	*Nil.*	*Nil.*
2. On the balance of total income.	One anna in the rupee.	One anna in the rupee.

D.—In the case of every company—

	Rate
On the whole of total income	Three annas in the rupee.

Provided that a rebate of one anna in the rupee shall be allowed on the total income as reduced by the amount of any dividend declared in British India in respect of the whole or part of the previous year for the assessment for the year ending on the 31st day of March, 1946, not being a dividend payable at a fixed rate.

Explanation.—For the purposes of this proviso, the expression 'dividend' shall be deemed to include any distribution included in the expression 'dividend' as defined in clause (6A) of section 2 of the Indian Income-tax Act, 1922, and any such distribution made during the year ending on the 31st day of March, 1946, shall be deemed to have been made in respect of the whole or part of the previous year.

THE BUDGET, 1946-47.

Extract from the proceedings of a meeting of the Legislative Assembly held at New Delhi on Thursday, 28th February, 1946.

Finance Member's Speech

Although I have not undertaken any intensive research to establish the fact, I imagine that I am the first Finance Member to deliver his first Budget Speech in the knowledge that it will almost certainly be his last.

2. In the interval since my distinguished predecessor presented his sixth and final Budget, the international and domestic scene has been transformed. The monstrous ambitions of the Fascist dictatorships have been utterly destroyed and the peace-loving and democratic nations can look forward to the building of a new world in the confidence that for many years to come their plans will not be frustrated and set at naught by the threat of external aggression.

But though our external foes have been overthrown, the world, and particularly India, is still confronted by a whole array of dangerous and enduring enemies—poverty, squalor, ill-health, illiteracy, under-nourishment and under-employment; and of these the most formidable is poverty. If we can expel this adversary from our midst, we shall find no great difficulty in dealing with the allies who revolve round his axis.

3. Let us not deceive ourselves, however, into thinking that we can triumph over the forces thus drawn up against us without a supreme and combined endeavour. Victory will not be achieved without sustained effort, without sweat and tears, without money or without leadership. Almost the greatest of these is leadership, and at this point I shall refer to the only political issue which I propose to raise in the course of my speech. No army has encompassed the defeat of its enemies on the battlefield without faith and confidence in its leaders. With all the earnestness at my command I add one more plea to the leaders on the benches opposite to co-operate with those on this side and with H.M.G. in finding an early solution to the political problem. I am conscious of the difficulties and am not insensible of the width of the gulf which has to be bridged, but it is my firm conviction that with toleration, restraint and goodwill a solution can be found. What is certain is that for every day the solution is deferred, for so long will be postponed the attainment of India's destiny which is hers by right.

What I have said so far is merely to indicate in broadest outline what I conceive to be the aims of India's national long-term policy. Fiscal policy is merely one of the means to achieve national policy and in the proposals which I am about to submit to the House I have kept these long-term aims in mind. But necessarily and inevitably my proposals have been coloured and qualified by the conditions which have been created by the war and by its merciful termination earlier than any of us had dared to hope.

4. Let us pass these conditions under a brief review. While India has been spared the material destruction that has befallen many other countries, she has suffered in full measure, and in some directions in greater measure than others, the economic consequences of war. Her industrial equipment has been worked to the very edge of a breakdown and there is a large backlog of maintenance and replacement to be made good ; more than that, the development of her economy and even her reconstruction are being delayed through her inability to obtain the necessary capital equipment owing to destruction and unsatisfied demands in the supplying countries. Civilian building has been almost entirely neglected for over five years, and this presses heavily on a country where the large annual increase in population and where growing industrial development require a continually expanding building programme. In India, as elsewhere, there have occurred large shortages of consumer goods, caused on the one hand by the failure of supplies from overseas and on the other by the diversion of a large part of her productive capacity to war purposes. Outstanding examples are textiles and foodgrains, though there are many other examples. I do not propose to dilate on the foodgrains situation, since that is only too well known to the

House. Finally, as elsewhere, the purchasing power in the hands of the public has enormously increased and here, too, the consuming public is anxious to make effective use of its spending capacity. In other words, there are still pockets of inflationary forces which require to be closely watched and controlled.

5. In one important respect, however, the situation in India resulting from the cessation of hostilities differs from that in other important belligerent countries such as the United Kingdom and the United States of America. In largely agricultural countries such as India and the Middle Eastern States, war expenditure, though in absolute amounts much less than in the industrialised states of the West, has had a proportionately greater effect in stimulating the growth of the national income. It follows that, with the fall in war expenditure which is now inevitable, a greater proportionate effort will have to be made if the national income is not to fall too far below its war level. In other words, deflationary tendencies will, in the absence of countervailing measures, begin to manifest themselves before very long. When I mention that the drop in defence expenditure on account of His Majesty's Government and the Government of India combined will be of the order of Rs. 600 crores next year as compared with the Budget this year, the House will realise how strong these tendencies will be. It must, therefore, be the object of the Government, in the coming year, with the help of the public and of the business community, to avoid the Scylla of increasing inflation and the Charybdis of too precipitate a deflation.

Financial Year, 1945-46.

Revenue

6. It is against this background that I now proceed to review the financial position for the current and the following years.

Total revenue receipts are now expected to reach Rs. 360.66 crores, a decrease of Rs. 1.68 crores on the budget estimates.

Customs receipts are likely to improve by Rs. 9¾ crores as a result of larger imports. Under Central Excises, however, we expect a short-fall of approximately Rs. 2 crores from the Rs. 48.59 crores provided in the Budget.

Under Taxes on Income, we estimated a collection of Rs. 190.5 crores, Rs. 90 crores under excess profits tax and Rs. 100.5 crores under other taxes on income. We now place the revenue at Rs. 189 crores, the short-fall of Rs. 1½ crores occurring under ordinary income-tax. The divisible pool of income-tax is likely to amount to Rs. 55.94 crores and the share of the Provinces together with the carry over of Rs. 5.28 crores from the previous year, to Rs. 28.75 crores.

The revenue of the Posts and Telegraphs Department is now estimated at Rs. 32.84 crores, Rs. 96 lakhs more than the budget figure. Expenditure is placed at Rs. 22.17 crores, an increase of Rs. 2.14 crores, due mainly to post-budget decisions regarding war and dearness allowances. The anticipated surplus of Rs. 10.67 crores will accrue to general revenues.

The contribution from Railways to General Revenues has been taken at Rs. 32 crores as envisaged in the Budget Estimates.

Expenditure

7. *Defence Services.*—It has been customary during the war years for the Finance Member to give in this section of his speech a general review of the progress of the war and the activities of the Indian Defence Services both in India and abroad. Partly in order to reduce the length of my speech and partly because I feel that such a review would come more appropriately from the War Department I shall, on this occasion, confine myself to only such broad matters of policy as directly affect India's defence expenditure, leaving it to my Hon'ble friend, the War Secretary in the course of the budget debates, to give the House fuller and more detailed information on the administrative measures and other activities with which his Department is primarily concerned. I am circulating with the Budget papers an Explanatory Memorandum prepared by the War Secretary setting out in more detail the main administrative measures in the field of defence and giving details of the amounts provided in the defence Budget Estimates.

8. The outstanding events of the year were, of course, the unconditional surrender of Germany on the 7th May, followed, about four months later, by a similar surrender on the part of Japan. Though the latter event came about six months earlier than was generally expected, plans for the demobilisation of personnel of the Indian armed forces had been under active preparation for a considerable time before V-J. Day and it was found possible to put these into operation at the beginning of October last. The number of personnel to be demobilised in India is well over a million and a half and no effort is being spared to speed up the rate of releases. It is a formidable task, which is complicated by transport difficulties and the uncertainties that must necessarily exist for some time regarding the ultimate size and composition of India's defence forces but we expect it to be largely completed by the end of the coming financial year.

9. The actual discharge of personnel from the Indian armed forces represents, however, only one aspect of the process of demobilisation—using that term in its wider sense of the unwinding of war activities and the diversion of India's economic resources, both human and physical, from winning the war to the

tasks of rehabilitation and development. Thus the defence authorities, besides dealing with the problem of the orderly release and repatriation of over one million and a half men from the fighting services, which includes the making of arrangements for the welfare of soldiers awaiting discharge and their education and preparation for civilian life, are directly concerned with the cancellation or reduction of their demands for stores of all kinds, the closing or slowing down of munitions manufacture, the stoppage of building activity and the declaration of surplus stocks and the disposal of fixed assets no longer required for defence purposes. The complementary schemes and measures to ensure that the personnel and industrial resources thus set free are utilised as fully and speedily as possible for the recuperation and expansion of India's civil economy, are primarily the concern of the civil authorities both at the Centre and in the Provinces, though naturally, in view of the strong interest that the defence authorities have in the resettlement of defence personnel, they are constantly brought into consultation regarding these matters.

10. In view of the fact that by the middle of the year the war had ended, it may come as a surprise and disappointment to some that the revised estimate for the current year does not indicate a more substantial fall in the expenditure chargeable to India's defence estimates, as compared with the budget for that year. The budget estimate was Rs. 394.23 crores and the revised estimate is Rs. 376.42 crores. The explanation for this is to be found very largely in the heavy costs of war gratuities, special leave and other terminal benefits granted to personnel on discharge in addition to their pay and allowances and other maintenance expenses while awaiting discharge in India.

11. With effect from V-J. Day (2nd September 1945) the supply of goods and services from the United States of America to the United Kingdom and other countries under Lend-Lease arrangements came to an end and from the same date those nations, including India, ceased to provide services and supplies for the U.S. Forces on Reciprocal Aid terms. It was agreed, however, as a matter of administrative convenience, that supplies and services through mutual aid channels should continue for a short time to be rendered on both sides, but on a cash repayment basis. A number of claims and counter-claims are arising between India and the United States of America on this account.

12. Another matter outstanding between India and the United States of America is the settlement of Lend-Lease and Reciprocal Aid, and the transfer to the Government of India *en bloc* of stocks and installations accumulated by the United States of America authorities in India during the war and now surplus to their requirements.

It is clearly necessary to arrive at an early understanding with the United States of America on these matters and the Government of India therefore welcomed a suggestion from the U.S.A. Government of their discussion at Washington. Two senior officers will accordingly be deputed to America for this purpose.

Civil Estimates

13. The revised civil estimates for the current year stand at Rs. 129.19 crores, an increase of Rs. 5¾ crores over the Budget figure. Civil expenditure connected with the war shows a fall of Rs. 7 crores, but this is more than offset by the provision under " Grants-in-aid " of a further subvention of Rs. 8 crores to Bengal. This further assistance is calculated to bring the total Central grant to Bengal to a figure representing roughly half the cost to the Province of the disastrous 1943 famine, and does no more than enable the Government of Bengal to break even on their revenue account to the end of 1945-46, when most other Provinces have been in a position to tuck something away for purposes of their post-war development. It is accompanied by a withdrawal of the Central Government's offer to meet half the losses involved in the rapid turnover of food stocks which was found to be necessary to prevent wholesale deterioration, and represents the last measure of special assistance which Bengal will require from the Central Government as a result of the major calamity which was peculiar to that Province alone. For the rest, the increase in the Revised Estimates is due mainly to the strengthening of the Central revenue organisation and to expansion in a number of Departments, mostly those which are popularly called " nation building." I do not propose to refer here to individual variations since they are explained in the Explanatory Memorandum which accompanies the printed Budget Statement and developmental expenditure will be dealt with separately later on in this speech. There are, however, one or two matters of general interest which I should like to mention in view of their bearing on Central expenditure.

14. The House will appreciate that the sudden termination of active hostilities did not end the difficulties and abnormalities of the country's economy which the war brought into being. In discharge of its responsibility for the economic health of the country, the Government has of necessity had to maintain the system of controls, both economic and financial, which was developed during the war, but although some of the controls have come to stay, since you cannot have a planned economy without some controls, the remainder are being, and will continue to be, withdrawn as soon as they have ceased to serve the purpose for which they were designed. Indeed, some 150 control measures have already been so withdrawn.

15. The work of the Supply Department, now that war-time procurement operations have ceased to be of primary importance, is being directed towards restoring the civil economy of the country. The department has been amalgamated with that of the Industries and Civil Supplies and the new department will deal mainly with the development of industries in accordance with the approved plans. During the first seven months of the current year the value of orders placed by the Supply Department was Rs. 107 crores compared with Rs. 162 crores during 1943-44. Latterly one of the main tasks of the department, however, has been to terminate war contracts already entered into and arrange for the disposal of surplus stores. By December 1945, existing contracts to the value of approximately Rs. 20 crores had been cancelled, while in other cases contractors were permitted to utilise the materials acquired by them for Government contracts for the production of goods required by the public. As a result of this policy, the amount of compensation paid has been very small and amounted to only Rs. 8 lakhs to the end of January, representing the final settlement of claims for contracts totalling over Rs. 13 crores. Some Rs. 8¾ crores have also been received by the direct sale of surpluses. I have already referred to the negotiations which are taking place with the American authorities in connection with the disposal of U.S.A. surpluses in this country.

The future policy in regard to Ordnance factories has been laid down, and, as a purely short-term measure, the available spare capacity is being utilised for the production of civilian goods in short supply.

A Co-ordination Committee of Council has been appointed to ensure that the many complicated problems connected with the transition of India's economy from a war footing to a peace footing are effectively integrated and speedily dealt with. The Defence Department was wound up last month.

16. To summarise the whole budgetary position in 1945-46, the figures are these :

Original Budget.—Expenditure Rs. 517.63 crores, Revenue Rs. 362.34 crores, giving a revenue deficit of Rs. 155.29 crores.

Revised Budget.—Expenditure Rs. 505.61 crores, Revenue Rs. 360.66 crores, yielding a revenue deficit of Rs. 144.95 crores. The revenue deficit position has, therefore, improved to the extent of Rs. 10.34 crores.

Financial Year, 1946-47

Revenue

17. I turn now to the financial year 1946-47. Before taking into account fresh taxation proposals and an adjustment to which I shall refer later, our total revenue estimates amount to Rs. 307 crores compared with Rs. 362.34 for the current year.

Customs receipts have been placed at the conservative figure of Rs. 65 crores net, which is the same as in the revised estimates for the current year; but with an improvement in the shipping position and with the increasing availability of supplies from exporting countries receipts may well exceed this figure. Under Central Excise Duties, the estimates provide for Rs. 47.20 crores.

Now that war activities have ceased, we are allowing for a total revenue of Rs. 158 crores only under Corporation and Income-taxes. This includes an expected yield of Rs. 75 crores from excess profits tax. The divisible pool of income-tax has been taken at Rs. 46.79 crores and the share available to Provinces at Rs. 19.64 crores.

The revenue of the Posts and Telegraphs Department is expected to be Rs. 32.25 crores and expenditure Rs. 22.25 crores, inclusive of an extra contribution of Rs. 50 lakhs to the Renewals Reserve Fund. The surplus is estimated to be Rs. 10 crores.

In modification of the policy pursued during the war years, of taking the entire surplus of the Posts and Telegraphs Department to general revenues, it is proposed, for the coming year, that the contribution should be three-quarters of the surplus instead of the whole. The share which accrues to the Posts and Telegraphs Department will strengthen the resources available for expenditure on post-war schemes.

As regards the contribution from Railways, we are providing for Rs. 7.36 crores. This represents a drop in receipts by Central Revenues of nearly Rs. 25 crores. The House is already aware of the basis of this estimate from the Railway Budget recently presented.

Expenditure

18. *Defence Estimates.*—As already mentioned, general demobilisation will be in progress throughout the year 1946-47 and for this reason the defence estimates for that year are inflated by the abnormal expenditure arising out of that process. Provision has been made for the maintenance of an Indian contingent consisting of one Indian brigade, one R.I.A.F. squadron and two R.I.N. sloops, with ancillary and administrative units and formations, to be stationed in Japan during the year as part of the forces of occupation furnished by the United Nations. Apart from the great part played by her armed forces in the subjugation of the Japanese, India's representation amongst the forces of occupation is an appropriate and inevitable recognition of her international importance.

Some reduction in the estimate has resulted from the decisions to withdraw Japanese campaign pay, the further accrual of war service increments, and other war-time concessions, with effect from various dates in 1946-47.

19. It has been decided, after consultation with His Majesty's Government, that the Financial Settlement will remain in force until the 1st of April, 1947. In spite of much discussion on the subject both in this House and elsewhere some confusion of thought and misunderstanding still persist about the nature and intent of this Settlement. Three separate, though interconnected issues, are involved.

First, there is the principle in accordance with which expenditure on the armed forces of India is borne by the revenues of India and of the U.K. respectively. The principle is simple and is not new. It has been in force for many years. It is this : expenditure incurred for the purposes of India's own defence falls on India : the remainder falls on His Majesty's Government.

Secondly, there is the so-called Financial Settlement. This is merely a set of accounting rules for allocating to the respective exchequers the total war expenditure in accordance with the principle to which I have just referred. Experience gained in the last war showed that the normal peace-time methods of determining the shares to be borne by India and the U.K. in accordance with this principle are quite impracticable under war conditions and the Settlement was, therefore, devised as a rough and ready means of arriving at India's share of defence expenditure, which, while broadly conforming to the accepted principles of incidence, would not impose an intolerable strain on the administrative and accounting machines. Shortly after the conclusion of hostilities with Japan, His Majesty's Government asked us to consider a suggestion that the Financial Settlement might be terminated on the 31st March, 1946. It was pointed out to them, however, that the great virtue of the Settlement lies in its saving of manpower and that, in view of the heavy calls that general demobilisation and other transitional activities would make on India's administrative and accounting staffs, the reversion during that year to the normal accounting methods of allocating expenditure would be impracticable. It was therefore urged by us that the retention of the Settlement until the end of that year (by which time these disturbing factors would have largely disappeared) was essential, and His Majesty's Government has accepted this view. I want to emphasise that it was Whitehall and not Delhi that wanted to drop the Financial Settlement at the end of the current financial year.

Thirdly, there is the method of financing the expenditure for which His Majesty's Government is responsible. This is not affected in the slightest degree by the terms of the Financial Settlement itself ; it follows that the continuation of the Settlement for another year in no way prejudices the question of an alteration in the financing procedure hitherto followed, which,

as the House knows, has resulted in heavy accumulation of sterling balances. The question of alternative methods of financing His Majesty's Government's expenditure is engaging the closest attention of Government, although, as will be seen in a second, the amount involved next year is insignificant in comparison with the total of our sterling assets to date.

20. The estimate of defence expenditure recoverable from His Majesty's Government for the year 1946-47 is only Rs. 42 crores, against Rs. 489 crores in the Budget for the year 1945-46. The very marked decrease in next year's claim reflects partly the success of the Hydari Mission's efforts to secure a reduction of the demands for war purposes on India's productive capacity, partly the decision to discontinue, except in respect of certain agreed categories of stores with effect from 1st April, 1946, the use of India as a source of supply of the S.E.A. Command's requirements, partly the fact that, to a large extent, the requirements of both the India and S.E.A. Commands during 1946-47 will be met from stocks in India paid for by His Majesty's Government in previous years; and finally the large reduction in the numbers of Indian troops employed overseas. The recoverable expenditure for 1946-47 will thus represent for the most the pay and allowances of Indian forces employed on occupational duties overseas (elsewhere than in Japan) and connected transportation charges incurred in India.

21. While the war lasted, the budget estimates of the defence services ceased for the most part to serve as instruments for restricting and generally controlling expenditure. This was inevitable in view of the impossibility of foreseeing the course of the war and, therefore, the measures that would have to be taken to meet the threats to India's security as they arose from time to time. Clearly, if a measure could be shown to be essential for the prosecution of the war, its introduction could not be opposed merely on the ground of the absence of budget provision. Now that the war has ended this state of affairs can no longer be allowed to continue and it has been decided to reintroduce, as far as possible, the normal procedure for budgetary control over defence expenditure during 1946-47. Owing to the existence of numerous abnormal factors it will not be possible to introduce the normal peacetime accounting and budgetary procedure in its entirety, but I contemplate that such control will be substantially secured.

22. The budget estimates of defence expenditure for 1946-47 amount to Rs. 243.77 crores and Rs. 1.57 crores for the Revenue and Capital heads respectively, as compared with Rs. 376.42 crores and Rs. 14.93 crores in the revised estimates 1945-46. His Majesty's Government's expenditure is now Rs. 347 crores in the revised estimates for 1945-46 and, as already stated, Rs. 42 crores in 1946-47.

23. *Civil estimates.*—I shall not, at this stage, detain the House with details of the civil estimates. Suffice it to say that expenditure debitable to Revenue amounts to Rs. 111.94 crores.

The position for the coming year is thus as follows. The expenditure detailed in the civil estimates comes to Rs. 111.94 crores and provision for the defence service has been placed at Rs. 243.77 crores, the combined total being Rs. 355.71. The total revenue at the existing level of taxation is estimated at Rs. 307 crores. We are thus left, before making adjustments resulting from taxation proposals, with a prospective revenue deficit of Rs. 48.71 crores, as compared with Rs. 155.29 crores in the original and Rs. 144.95 crores in the revised budgets for 1945-46.

Ways and Means

24. In the context of war finance our ways and means operations have assumed a position of special importance and my predecessor took occasion to explain the changed significance which they have come to occupy in the broader field of Government's financial and economic policy as a whole.

During the period of hostilities, due to the situation created by our own war expenditure and that of the Allied Governments, a major pre-occupation was the problem of trying to absorb by taxation and borrowing, the purchasing power in the hands of the public so as to bridge, or to reduce to a manageable size, the inflationary gap. Today the problem in its broadest aspects has, as I have indicated earlier in my speech, two facets, first, of securing stability in the immediate future by keeping in check an inflationary potential that undoubtedly still exists, and secondly, of preventing any material decline in business and economic activity as a result of the cessation of war-time expenditure.

In so far as the immediate problem still remains that of an excess of purchasing power competing for a limited volume of consumer goods, a main objective of our policy in the financial sphere must be to ensure that, through the issue of various loans and through other forms of borrowing, as well as by measures of taxation, surplus funds in the hands of private citizens are diverted to the public fisc to the extent that they are not devoted to new productive enterprises. Investment in Government loans and the consequent withdrawal of redundant purchasing power from the public has the two-fold advantage of mitigating the pressure of such surplus funds on the prices of consumable goods, and, at the same time, of building up reserves in the hands of Government for development purposes.

25. With this purpose in view, we have continued our efforts to popularise investment in Government loans. While the

support accorded by the various sections of the public to the borrowing programme of Government has been satisfactory, a great deal remains to be done to bring home to the population in the rural areas the desirability of investing in Government loans, in furtherance of the common good. With the object of turning the savings movement from a wartime measure to combat inflation, to a peacetime organisation which can serve a great social end, the Small Savings Scheme has been reorientated with the primary purpose of encouraging consistent savings among the less well-to-do section of the community. Particular emphasis has been directed towards ensuring that no pressure is brought to bear, but that the people should be persuaded, by reasoned explanation of the advantages, to save regularly whenever possible and however small the amount. The propaganda which has recently been launched with the co-operation of gentlemen eminent in the public life of the country has been directed towards these ends and I should like to take the opportunity of acknowledging the support which they have given in laying the foundations of a scheme which, I believe sincerely, is not only in the interests of the individual saver but also to the advantage of the community as a whole. I greatly hope that the day is not far off when the people will cease to keep the bulk of their savings in the form of hoarded currency, or bullion or superfluous ornaments, and will put their savings to work to create new wealth. It has always seemed stupid to me that man should expend so much effort in digging out treasure from mineral deposits only to bury the bulk of it in safe deposits.

26. During the last financial year Rs. 40½ crores were invested in small savings and during the first nine months of 1945-46, Rs. 43½ crores have been accumulated. The total amount invested by the public in the various public loans offered during the period February 1945 to January 1946 aggregated Rs. 346 crores, compared with Rs. 286 crores during the corresponding period last year.

The progressive total of public loans issued since the beginning of the war up to the end of January 1946 reached the figure of Rs. 1,178 crores. Impressive as this total is, the House will agree that there is no room for complacency when we regard the development expenditure in prospect. It is true that it has been possible to float the loans required for the prosecution of the war cheaply, but it is necessary at the same time that funds required for India's development should be obtained at equally and even more favourable rates. If large developmental expenditure is to be undertaken, whether from the public fisc or from the private sector, one of the pre-requisites will be the ability to borrow what is needed at cheap rates of interest. On the other hand, the capacity of the country to lend to the State will depend,

to an appreciable extent at any rate in the years immediately ahead, on the volume of expenditure by the Government of the day, coupled with other recognised important factors such as Government's taxation policy, the retention of selected controls and the public's liquidity preference. Borrowing and spending must, therefore, go hand in hand.

27. As a result of the gradual funding of our floating debt, there is a reduction in the outstandings of Treasury Bills. Thus, against a figure of Rs. 104.81 crores at the end of December 1945, the corresponding figure at the end of December 1945 was Rs. 66.01 crores. It is true that our comfortable ways and means position does not compel the continuance of this form of borrowing but this class of investment plays an important role in the money market. In the coming years it may be necessary, and even possible, for Government to exercise greater discrimination in the finding of development expenditure and to meet some of it by short term borrowing. I am satisfied that we can without risk carry a floating debt substantially in excess of the present figure.

Excluding the contributions for quotas under the Bretton Woods Agreements, in regard to which special arrangements will be made with the Reserve Bank of India at the appropriate time, the total borrowings which I hope to raise during the coming year amount to approximately Rs. 300 crores.This compares with Rs. 346 crores raised during the last twelve months.

28. As regards sterling, during the first nine months of the current financial year, £228 million were added to the Reserve Bank's holding and it is estimated, allowing for the receipts during the last three months of the year, that the total holding on the 31st March 1946 will be of the order of £1,330 million.

As I have already indicated, additions to this total on account of His Majesty's Government's defence expenditure will be quite small next year even if no change is made in the method of financing this expenditure. Indeed, it is possible that in the course of 1946-47 the United Kingdom may succeed in increasing her exports to India to such an extent as to avoid any further additions to our sterling credits and, perhaps, even to reduce them. And this, of course, is quite apart from the amount of sterling which will be convertible into free exchange as a result of the negotiations which will take place in the course of the year between His Majesty's Government and ourselves. I have made it clear on previous occasions that the arrangements to be made for the transfer of these balances are a matter for bilateral settlement between India and the United Kingdom and I take this opportunity of reiterating what I have said before, namely, that should negotiations take place while the present Government is in office,

I would hope to associate representatives of the leading political parties in the country and other non-officials with the delegation appointed to undertake the discussion with His Majesty's Government. I would also repeat what I have told the House previously, that India will be entirely free to take any line that she may see fit to pursue at these negotiations and any idea that she is committed in advance to a scaling down of the balances or to a continuance of arrangements under which such balances will continue to accrue is entirely without foundation. When these negotiations will take place, however, it is not yet possible to say, but it is highly unlikely that they will be held until the United States Congress has ratified the U.S.A.-U.K. Loan Agreement.

In my opinion, no grounds exist for the fears which have been expressed that India's ability to obtain, in the immediate future, capital equipment from abroad will be prejudiced by the fact that a large portion of her foreign exchange reserves are in the form of sterling. Indeed, I would go so far as to say that, for a number of years to come, the main consideration will not be the availability of exchange but the physical capacity of the two main exporting countries to meet the demands of a war shattered world. At the same time, the absorptive capacity of India herself and the rate at which the necessary technical personnel can be made available, may well be limiting factors of considerable importance.

29. Another question which is closely connected in the public mind with sterling balances is that of the so-called Empire Dollar Pool. There is a widespread belief that the arrangement which goes by this name has been grossly unfair to India, that this country has contributed enormous net amounts of hard currency to the Pool and that it would be to our advantage to withdraw from it without further delay.

There is, I am afraid, a great deal of misconception about the whole subject. Nobody is to blame for this misconception. It is mainly due to the fact that, for security reasons, it was not possible, while the war was on, to disclose the volume and details of the transactions which took place through the Dollar Pool.

I should like to examine the question very briefly under four heads: First, what is the nature of the Empire Dollar Pool? Secondly, how has its operation affected India? Thirdly, would it be to our advantage to withdraw from the Dollar Pool immediately? Fourthly and lastly, to what extent has India contributed to the Pool assets in excess of assets drawn by her from the Pool?

To take these points in turn. First, what exactly is the Dollar Pool? The Dollar Pool is, in effect, the modification, imposed by war conditions, of the sterling area arrangement which has

existed for a century. Under this sterling area arrangement, Empire countries, and other countries as well, found it convenient and economical to settle their transactions on international account through sterling, through London. Before the war, sterling was freely convertible into any other currency. When war broke out, the ability of the Commonwealth to earn foreign exchange was severely reduced owing to the fact that productive capacity previously devoted to exports had to be diverted to armaments, munitions and other warlike stores. At the the same time imports necessary for the prosecution of the war remained high. The different countries in the Commonwealth were, however, affected in this respect in varying degrees and an arrangement was therefore entered into among them whereby earnings of dollars and other hard currencies would be pooled and the essential requirements of the several countries, in terms of these currencies, would be met from the Pool.

Secondly, how did the pooling arrangement affect India ? The answer is that India had free access to the pool to finance her essential current imports from hard currency countries, which included the U.S.A., Canada, Switzerland, Sweden and Portugal. Moreover, a sum of 20 million dollars was specially earmarked to pay for capital equipment required by India from non-sterling countries for her post-war development.

Thirdly, would it be in India's interest to withdraw from the Pool forthwith ? In my view, it would be premature and unprofitable to do so, since the balance of trade with the U.S.A. has been unfavourable to India for many months. In other words, India is receiving from the Pool more dollars than she is currently earning, and she is far from having exhausted the sum of 20 million dollars to which I have just referred. Moreover, under Article 7 of the Anglo-American Loan Agreement, the U.K. are committed to making arrangements which will involve the dissolution of the Dollar Pool within one year of the effective date of that Agreement.

Lastly, what is the excess of India's contribution to the Pool over her drawings from it ? The wildest and most fantastic guesses have been made and the lowest non-official guess has put the figure at several hundred crores. I have been at considerable pains to establish what the true position is. Owing to the number and complexity of the transactions, it is very difficult to arrive at completely accurate figures, but with the help of the Reserve Bank I can give figures which are approximately correct. Here they are : Between September 1939 and March 1945 India earned hard currency assets to the amount of Rs. 364.33 crores. Excluding the 20 million dollar special fund which I have already mentioned, India has utilized hard currency assets to the amount of Rs. 265.02 crores. To this latter figure should be added the

net import of gold from the United Kingdom during the same period, since gold is equivalent to hard currency. Computed at the world (not the Indian) price, the value of this gold is Rs. 50.08 crores. The balance in India's favour is, therefore, Rs. 49.23 crores as at March of last year.

It is contended that India should claim this amount from what remains of the Dollar Pool. Having regard to the essential character of the Dollar Pool, it seems to me difficult to establish a claim on this basis. The most that could be claimed would be a *pro rata* share of the existing Pool assets. But even if the full amount could be established, it is much less than I hope and expect that we shall obtain by way of free exchange from the pending negotiations between India and the United Kingdom on the subject of sterling balances.

Post-war Planning

30. I shall now turn to the important subject of development planning, in which great strides have been made during the past twelve months, both at the Centre and in the Provinces. My predecessor last year referred to the steps which had been taken at the Centre for dealing with post-war planning and development, and mentioned a number of important preparatory measures which had been put in hand, such as the establishment of a Central Electrical Power Board, an Irrigation and Waterways Board, the Resettlement and Re-employment Directorate and the training of students overseas. Preparatory work of various kinds has expanded and intensified throughout the year, particularly in connection with the "Grow-more-food" campaign, essential training both in India and overseas, preparations for the resettlement and re-employment of ex-soldiers and discharged war workers, and various research activities. In addition, all-India policies in respect of a number of subjects such as education, agriculture, food, health, labour, transport and civil aviation have been announced. The Central Government Departments have not confined their activities to advancing their own plans but have also been able to assist the Provinces in the preparation of theirs. Some, indeed most, of the subjects which I have just mentioned are, of course, primarily the responsibility of the Provincial Governments, but we hope that the general policies suggested, for example, in the Report on Education and in the Report of the Committee on Public Health will afford valuable guidance to Provincial Governments. All Provincial Governments have formulated their 5-year plans, and they are now under review by the Centre so as to ensure that they are properly co-ordinated *inter-se*, are generally in broad accord with all-India policies and objectives, and are individually and collectively feasible. I anticipate that, after due examination and discussion with Provincial

Governments, the Provincial 5-year plans will be finalised in the course of the next few months. They involve expenditure of the order of Rs. 900 crores, part of which, however, will extend well into the second five year period. In addition to this, the plans of the Centre in respect of railways, roads, civil aviation, telecommunications, Central institutions etc., will also add up to a considerable figure. Our approach to the problem of planning has been of the severely practical kind, for which the main justification is that we now have within a minimum of time a very large programme of practical and desirable schemes in an advanced stage of preparation.

31. I have already mentioned the very heavy drop in war expenditure and the deflationary tendencies which this drop will set in motion with a consequent threat of widespread unemployment and depression. The House will doubtless wish to know what is being done to meet the situation. Industrial development cannot be relied upon to fill the immediate gap, if only because of the difficulties and delays in securing large-scale imports of capital goods. No Government, whether Central or Provincial, can afford to contemplate with complacency the onset of deflation or allow purely financial considerations to stand in the way of maintaining the economic health of the country. Public expenditure of a useful kind is the obvious remedy, and in May last Provincial Governments were asked to select from their 5-year plans schemes which would create employment and could be started at short notice; they were promised a substantial contribution towards the cost of such measures. When the war with Japan came to an unexpectedly early end, the position was further reviewed and our offer of financial assistance extended. Provincial Governments have been urged to embark forthwith on all schemes which provide a high proportion of employment relative to the cost, or are productive or of economic importance calculated to increase the national income. Such schemes will include roads, buildings, minor irrigation works, anti-erosion measures, agricultural and forestry development, and public health measures such as anti-malaria, water supply and drainage schemes. As an incentive to urgent action we have undertaken to provide Provincial Governments with all the funds that they may require for approved schemes of this nature up to the end of March 1947. In the case of self-financing schemes, this assistance will take the form of loans, while for others we are prepared to make advance grants to cover the full costs, which will not be recoverable but will be adjusted against whatever scheme of Central grant is eventually decided upon. Lists of schemes proposed to be taken up during this interim period have been received from most of the Provincial Governments, and approval is being freely and quickly accorded. A lump sum provision of Rs. 35 crores has been made in the budget estimates

for such advance payments, and of Rs. 15 crores for loans to Provinces for productive development works.

32. For Central Government development schemes, excluding some Rs. 22 crores on Railway items, a total provision of about Rs. 27 crores has been made in the Budget. This covers development expenditure in the Centrally Administered Areas, expenditure on the post-war plans of the Posts and Telegraphs and the Civil Aviation Departments, special loans to Port Trusts to assist them in carrying out works which will create employment, and a lump-sum provision for various schemes of the Central Departments which are not sufficiently advanced for inclusion under the ordinary departmental budgets. One of these latter items, to which I would like to invite attention, is the Labour Department's subsidised housing scheme. Building is one of the most useful and desirable forms of investment, in regard to which there is, as I have already said, a tremendous leeway to be made good. The scheme, which is intended to benefit not only employees of Governments and Local Authorities but also industrial workers, provides for a subsidy up to 12½ per cent. by the Centre to local bodies and industrial employers, provided the Provincial Government concerned is also prepared to make a grant equivalent to 12½ per cent. of the cost to enable suitable houses to be constructed for the poorer classes of workers who are not in a position to pay a full economic rent. The scheme will apply mainly to urban employees, but we have not overlooked the importance of improving rural housing conditions also, and we are considering the possibility of setting up model housing schemes in selected villages in Delhi Province or other Centrally Administered Areas. In order to assist and stimulate private building activity special steps are being taken to increase allocations of coal for the burning of bricks and releases of timber, cement and steel, to relax controls over these materials and to expand production capacity. I think it is true to say, in regard to all the various schemes to which I have referred, whether Central, Provincial or private, that any delay which may arise is far more likely to be due to lack of qualified personnel than to lack of funds.

33. In the matter of the general financing of governmental plans there is little that can usefully be added to what has been stated in the last two Budget speeches. The scope for development is greatest in the Provincial sphere, but planned development on a national scale must be a joint and co-ordinated effort by both the Central and Provincial Governments, with a large measure of pooling of resources notwithstanding constitutional limitations. The Centre and the Provinces alike will need to develop their taxation resources to the full. If this is done, and effort during the early years is concentrated on economic measures designed

to increase material prosperity and national income so as to build up revenue on which expansion of the social services must depend, there is good reason to believe that funds will be available to the extent that they can be usefully spent. It seems likely that Provincial Governments between them will have, by the end of the current year, balances of the order of Rs. 70 crores, and will acquire during the next 6 years revenue surpluses totalling some Rs. 100 crores. They have based their plans on the broad assumption that, apart from borrowings either from the Centre or from the market, they will receive Central grants during the quinquennium amounting to approximately Rs. 250 crores which will be distributed roughly on a population basis. I do not myself regard population as an altogether appropriate basis of distribution and would prefer a scheme more on the lines of the Australian grants system, under which grants to States are made on the recommendation of an independent and impartial body such as the Australian Federal Grants Commission. As I understand it, the Australian system aims at achieving a reasonably equal standard of social and cognate services in all the States of the Commonwealth. In making their recommendations, the Commission takes into account such factors as the natural resources of each State, its stage of industrial development, its taxable capacity, the extent to which this taxable capacity is exploited, and so on. The Commonwealth Government have very kindly agreed to receive one of my senior officers to study on the spot the working of the Australian system and the possibility of its adaptation to Indian conditions. Pending his report I am not in a position to make any more definite statement on the subject.

34. It is not on the activities of the Government alone, however, that the rapid development of India will depend, but also, and to a very large extent, on the efforts of private enterprise, particularly in the industrial field. I do not propose to go into the details of the various measures which the Planning and Development Department, in co-operation with the other Departments of Government and the industries concerned, have in hand for the rapid progress of industrialisation of this country. Reference to those measures will take place during the course of the budget debates. For my part I need only mention some of the more important measures which I have taken in hand. One of them is the establishment of an Industrial Finance Corporation in order to ensure the availability of medium and long-term credit to industrial enterprise in India where the more normal methods of industrial finance are inadequate. Detailed proposals for the establishment of such a Corporation have reached an advanced stage of preparation. Legislation will be required, and I shall endeavour to introduce the necessary measures in the course of this session.

35. Another matter which is under the consideration of my Department is that of the planning of investment, both public and private, with a view to securing the fullest and most advantageous utilisation of the economic resources of the country in the interests of planned capital development. Investigation is required to determine whether a National Investment Board should be set up for this purpose, and if so, how it should be constituted and on what lines it should work. Meanwhile, the existing control over capital issues must necessarily be continued. Some measure of relaxation has been rendered possible by the steady reduction of pressure on goods and services in short supply which the end of the war has brought about; but that control is necessary to prevent excessive flow of capital into less important or less desirable directions which would lead to unregulated and lopsided development will, I think, hardly be disputed. Whatever final decision is taken will require the backing of new legislation, until which time the course must be kept clear by retaining the existing Defence of India Rule in operation.

36. If control over investment is to be made effective, the Government of India's statistical and economic organisation will have to be so strengthened as to enable us to prepare, and to present with the Annual Budget, a National Investment budget. We are not at present in a position to introduce this desirable reform, but I have this year taken the first step by presenting a Central Capital budget along with the Central Revenue budget. It is but a modest step towards the ultimate objective, but it seems to me to be an innovation in the right direction. Even if it serves no other purpose, it will at least permit of a proper presentation of our transactions of a capital nature and focus attention on the productive and dead-weight indebtedness of Government, and on the expenditure of loan monies on productive and unproductive schemes. The changes made are explained at length in the Explanatory Memorandum, and I trust that the departure made from past practice will meet with the approval of the House.

37. Before I explain the taxation proposals for next year, there is one further matter to which I would like to refer. A widespread desire has been expressed for the appointment of a Committee to examine and report on the present tax structure and taxation incidence, with special reference to their effect on trade, industry, employment, standard of living, savings and capital formation. The Government appreciate that more than 20 years have elapsed since the last general enquiry into taxation in India was held, and that the situation has in many ways changed materially since then, particularly during the six years of war. Not least of the changes has been the re-orientation of economic thought in the interval. With the cessation of hostilities and an

era of intensive development begun, which will require constructive planning of taxation with a view to ensuring the most effective use of the taxable resources of the country, the present time may reasonably be regarded as ripe for a fresh comprehensive taxation review. I propose, therefore, to set up a Taxation Enquiry Committee in the near future. Since one important object of the proposed enquiry would be to secure, as between the various classes of taxpayers, an equitable distribution of the burdens of taxation, it would seem to be essential that, as in the case of the Taxation Enquiry Committee of 1924, the scope of the enquiry should extend to the whole field of taxation—Central, Provincial and local. While it would not be appropriate for the Committee to concern itself with the question of the distribution of taxable resources between the Centre and Provinces, it should cover the harmonisation of Central and Provincial taxation where experience has shown conflict or overlap to exist in their respective spheres, as defined in the Constitution Act. The present lack of uniformity in the incidence of taxation as between Provinces, illustrated by the varying rates of sales tax, octroi, property tax, motor taxation, etc., could be dealt with by the Committee. The main purpose of the enquiry would, however, be to ascertain what adjustments or modifications of the taxation system of the country as a whole would be required and could, from the practical administrative point of view, be introduced in order to produce a properly balanced and scientific tax structure, fair in its incidence and adequate to the needs of a forward development policy, without deterrent effect on initiative and private enterprise, and with due regard to the administrative requirements for the prevention of tax evasion. The Provinces are in favour of an enquiry of this nature. My provisional view is that the Committee should be predominantly non-official in character and that it should be an expert rather than a representative body, although care should be taken to obtain the views of all the interests affected—industry, commerce, agriculture, labour, the consumer, the ordinary tax payer and lastly, the Administration, both Central and Provincial. Above all, it should not be unwieldy. There appears to me to be in India a tendency to set up not only too many committees but also committees which are quite unmanageable from the point of view of size. I shall greatly welcome the views of Hon'ble Members as to the scope and composition of the Committee.

I now pass to my taxation proposals for next year.

New Proposals.

38. I said early on that fiscal policy was not an end in itself. It must subserve the ends of national policy. Its purpose should be not merely to raise a given revenue but to raise it in such a way as to obtain the maximum social and economic advantage and to distribute the burden as justly and as fairly

as possible between the various classes of taxpayers. This is, of course, an ideal which it is difficult to achieve in this imperfect world, where psychological and political factors operate to modify and qualify economic theory and doctrine, but the pattern and design of my proposals attempt to conform as near as possible to this ideal.

39. The lines of this pattern are made plain in the opening paragraphs of my speech. Let me recall briefly the gist of those paragraphs. I pointed out, first that a great deal of money would be required to combat the evils of poverty, ill-health, squalor, illiteracy and unemployment: and secondly, that during the next year or two Government must do all it can to offset the fall in economic activity which will otherwise result from the heavy drop in military expenditure.

The largest single source of revenue in the years immediately ahead will have to continue to be the profits of industry. I am conscious of the depressing effect on industrial enterprise of a high level of taxation on profits, and that it is the expansion of industry which holds out the earliest promise of increasing the national income and raising the standard of living in the country, although India will not achieve the maximum of economic health and wealth until agriculture as well as industry have multiplied their productivity many times.

The fiscal problem, so far as industry is concerned, is how to lay it under a heavy contribution and, at the same time, to encourage it to expand. This is the problem which I have attempted to solve, but its successful solution will require the wholehearted co-operation of industry itself. If it be the aim of India's industrial leaders, as I am sure it is, not so much to make millions for themselves as to raise the standard of life of India's toiling and poverty-stricken millions, then the problem can be solved.

40. Here is my own contribution to its solution. First, I propose to discontinue the Excess Profits Tax on earnings arising after the 31st March, 1946. The only justification for E.P.T. as a tax is the emergency which called it into being. By all the canons of taxation doctrine it is a thoroughly bad tax. It is rough and ready in its operation; it is unfair in its incidence and beyond a certain point, it is a direct inducement to inefficiency. Except that I, as tax gatherer-in-chief, cannot refrain from casting a longing, lingering look behind at its high yield, none of us will, I think, mourn the passing of the Excess Profits Tax.

It will, of course, be realised that the discontinuance of the tax will not, of itself, affect the revenue of the coming year nor give any immediate relief to the class of tax-payer to whom it

applies, since the tax will still be payable in respect of all excess profits earned up to the 31st March, 1946. The scheme of compulsory deposits will also remain in force to the end of the E.P.T. period.

As regards the refunds of E.P.T. deposits, they will be sanctioned in advance of the date for which the law provides, on condition that they are not distributed as dividends to shareholders but are required for the provision or replacement of buildings, plant or machinery.

When I remind the House that E.P.T. will yield Rs. 90 crores in the current year and is estimated to produce Rs. 75 crores in the coming year, Honourable Member will be able to measure the loss to revenue and the benefit to industry which the abandonment of E.P.T. implies.

One last word about E.P.T. Concern has been expressed about losses and expenditure which may arise in the period of transition from war-time to peace-time conditions and which may involve hardship if they are not allowed against the profits of the final E.P.T. chargeable accounting period. This question is under consideration and, when it is known what is the actual extent and nature of these hardships, then will be the time to consider appropriate legislation.

41. The next relief to industry which I propose is to revive the proposals which were dropped last year to grant special initial depreciation allowances of 10 per cent. on new buildings and of 20 per cent. on new plant and machinery and to allow for income-tax purposes expenditure on scientific research. In addition, I propose to widen the scope of what is called the obsolescence allowance, so as to make it include the loss of the asset by destruction or demolition and also to extend it to buildings. These proposals will cost Rs. 2 crores.

In order to complete the picture of the easements which I propose for industry, I shall now move to the field of indirect taxation. I shall return later to other direct taxation proposals which will affect industry.

42. I am anxious at the earliest possible moment to meet the demand so often made in the past for the relief from Customs duty of raw materials imported for industry; and also, to the extent that this may be practicable without injury to Indian manufacturers of similar goods, to reduce the rates on such imported plant and machinery as are now dutiable. The former proposal is estimated to cost approximately Rs. 70 lakhs. As regards the latter, it is difficult to estimate the cost of relief till a careful review of the position is made. So no allowance has been made in the revenue estimates on this account at this stage. It

is proposed to give effect to the decisions separately by a notification under the Sea Customs Act.

43. I now revert to the direct taxation field but, before dealing with it as it specially affects industry, I should like to mention a proposal which will affect not only all classes of taxpayers but also Central and Provincial Revenues, namely, the amalgamation of the surcharges on income-tax and super-tax with the basic rates. This amalgamation is estimated to benefit the Provinces to the extent of Rs. 12¾ crores at the expense of the Centre.

44. Coming back to industry, the total of the present rates of income-tax and super-tax on a company is 7¾ annas. I propose to reduce this total of 7¾ annas by 1¾ annas to 6 annas, by a reduction of 2 annas in the super-tax and an addition of ¼ anna to the income-tax. This is estimated to cost Rs. 7 crores. For the past two years the Finance Act has contained a provision giving a rebate of super-tax to companies at the rate of one anna on all sums not distributed as dividends. This, in effect, imposed an extra tax at the rate of one anna on all sums distributed as dividends. I think that circumstances now warrant the introduction of a new method for discouraging the distribution of dividends. In my view, a reasonable distribution is something which the shareholder has a right to expect and which should not attract a penal rate of tax. I am, therefore, proposing that, excluding dividends payable at a fixed rate, sums equal to 5 per cent. on the capital of the company, including reserves, and equal to 30 per cent. of the total income, may be distributed without attracting more than the 1 anna rate of super-tax. Dividends above that datum line will become liable to additional super-tax at steepening rates. I hope that this provision will keep the distribution of dividends within reasonable bounds and encourage the ploughing back of profits into the business. This is estimated to yield about Rs. 1½ crores.

45. Before turning to the non-company direct taxpayer, it will be appropriate to mention at this stage another and somewhat novel proposal which affects both classes. I have referred more than once to the possible emergence of deflationary tendencies consequent upon the very heavy fall in military expenditure, and I reminded the House that, owing to the difficulty experienced by our industries in obtaining adequate quantities of capital equipment from abroad, they would not be able to do a great deal next year to replace the economic activity engendered by the vast military expenditure of recent years. There is, however, one direction in which the private sector of the national economy can do much to help. I mean, of course, building, which has been almost at a standstill, except for war purposes, for the past five or six years. The great advantage of a large building programme

is that the ratio of labour costs to total costs is high and so, therefore, is the employment factor. Apart from the offer of subsidies for working class dwellings which I have already mentioned, Government are doing all they can to assist by increasing the free availability (but by this expression I do not, of course, mean free of cost) of bricks, timber, cement and steel. But so important do I regard private building as an antideflationary activity that I have felt justified in going further and in making a contribution in the fiscal field. I am, therefore, proposing some income-tax relief where new buildings are begun and completed within the next two years. For residential buildings, I propose a two years' income-tax exemption and for buildings used for the purposes of the business, profession or vocation I propose that the initial depreciation allowance should be 15 per cent. instead of 10 per cent. These proposals are contained in a Bill to amend the Income-tax Act which is being put before the House. As next year's estimates are not likely to be affected, no provision has been made on this account.

46. And now I turn to greet the ordinary direct tax-payer, and I hope that, on reading tomorrow morning what I have to say, he will think the greeting cordial, or at any rate, as cordial as any greeting between an Income-tax Officer and an assessee can reasonably be expected to be. In my judgment, the steep rise in direct taxation inseparable from the war has borne more heavily on the man of moderate means and particularly on the man with a moderate fixed income than on almost any other class of tax-payer. I think the time has come to give him some relief. I propose to do this in two ways. First, by reducing the rate of tax in the lower ranges and secondly by increasing the earned income allowance. As to the first, I propose to reduce the rate on the second income slab of Rs. 3,500 from 15 pies to 12 pies, and the rate on the third slab of Rs. 5,000 from 2 annas 1 pie to 2 annas. These two changes will cost about Rs. 1½ crores. As to the second I propose to raise the earned income allowance from one-tenth of the earned income subject to a maximum of Rs. 2,000 (in terms of income), to one-fifth, subject to a maximum (in terms of income), of Rs. 4,000. This relief will cost about Rs. 3½ crores.

47. I propose to take a further and, as I think, a logical, step in carrying over the differentiation of treatment between earned and unearned income into the super-tax range. At the same time, I propose to increase the number of slabs in incomes subject to super-tax, the result being a more gradual steepening of the rates, although the rates will be more severe on the largest incomes than at present. The differentiation in favour of earned income is one anna in the rupee between Rs. 25,000 and up to Rs. 2 lakhs and half an anna between Rs. 2 lakhs and Rs. 5 lakhs.

On the balance above Rs. 5 lakhs there is no differentiation. This proposal is estimated to yield about Rs. 75 lakhs. On merits, and as a partial offset to the loss of revenue involved in the three changes which I have just described, I propose to increase the rate of income-tax on the balance of income above Rs. 15,000 from 4 annas 9 pies to 5 annas. This will yield about Rs. 3¼ crores.

48. With two other and relatively minor changes I shall be done with my proposals relating to direct taxation. The first is a reduction of the rate on life insurance companies from 5 annas 3 pies to 5 annas. The second relates to the discontinuance of the provision for funding a portion of the tax in the case of incomes up to Rs. 6,000. The reductions in the rates on the lower slabs and the increased earned income allowance now proposed take away the justification for this provision. Salaried assessees, however, have to be given the benefit of the provision in the coming year, since they came under the scheme one year later than other assessees. These two proposals are estimated to cost Rs. 25 lakhs.

49. I have now dealt with relief to industry and to the man of moderate means, and some of my Hon'ble Friends opposite will be wondering whether I propose to do anything for the poor man. In the field of direct taxation, I can obviously do nothing since he does not pay direct taxes. At least he does not pay them directly. The extent to which an increase or a decrease in direct taxation is passed on to him through the price of the articles he has to buy is one of the things which I hope that the proposed Taxation Enquiry Committee will examine and ascertain.

Nor is it easy to do very much for the poor man in the field of indirect taxation. The main advantage which he will derive from my proposals will be through the schemes, economic and social, which will be financed by the yield of the taxes contributed by the wealthier sections of the community.

But there are two other things which I am doing for the poor man, one negative and the other positive. As to the first, I do not think that any of my proposals will add to the cost of his essential purchases—indeed the contrary should be the case—and secondly, I propose to reduce the duty on kerosene, which plays so important a part in the economy of the poorer class households, from 4 annas 6 pies to 3 annas 9 pies an imperial gallon. This will cost about Rs. 65 lakhs, of which Customs will bear Rs. 60 lakhs.

50. And this brings me to my other indirect taxation proposals. I propose to continue (subject to some modifications) the general surcharge for one more year. In the customs tariff a small change is proposed in respect of "Wines." The rate of

surcharge on "Wines," which is now one-fifth, will be raised to one-half, thereby bringing it on a par with "Spirits." I expect an increase of revenue by about Rs. 5 lakhs on this account. The duty on cinematograph films, both exposed and not exposed, is at present assessed on *ad valorem* rates. It will be an improvement to convert this into a specific duty charged on footage, and this change, besides yielding an increased revenue of Rs. 45 lakhs, will make for administrative convenience.

51. In the interests both of the revenue and of the indigenous grower, I consider it desirable to raise substantially the duty on imported betelnuts. I propose to fix the duty (without any surcharge) at the standard rate of 5½ annas a pound, with a preference of 6 pies a pound for British colonies. British colonies even now enjoy a preferential rate of 45 per cent. *ad valorem* against the standard duty of 54 per cent. *ad valorem*. The yield is estimated at Rs. 155 lakhs. I have considered very carefully whether, concurrently with an increase in the customs duty on imported betelnut, I should not reduce the excise on indigenous nuts in view of the fact that the wholesale trade, instead of passing the whole tax on to the consumer, has tended to reduce the price paid to the grower, thereby diminishing the benefit which the latter has derived from the high prices resulting from the cessation of foreign imports during the war. Any such reduction would, however, I am convinced, be absorbed by the wholesale trade and would bring little, if any, benefit to the grower. I am satisfied, moreover, that the increase now proposed in the customs duty on betelnuts renders reduction of the excise less necessary, since wholesale prices ought thereby to remain hereafter at a level which will permit the payment of a reasonable price to the grower. I have, however, been very impressed by the growers' difficulties, which I believe to be rooted in the weakness of his bargaining position *vis a vis* the wholesaler and I think that the grower's interests will be best served by organising the marketing of his products in such a way as to strengthen his position *vis a vis* the wholesale dealer; by improving cultivation methods and, if possible, finding further uses for the nuts; and I propose accordingly to make an annual grant of Rs. 3 lakhs for the purpose of financing measures designed to improve the production and marketing of this crop.

52. I propose a change in the levy of duty on cotton. At present the customs duty on raw cotton is 1 anna a pound and a further duty of the same amount is levied under the Cotton Fund Ordinance of 1942. The Fund has a sufficient balance to its credit to carry out the purpose for which it was created and it is no longer necessary to aid the Fund by proceeds of the special duty. At the same time, general revenues cannot afford to give up the amount yielded by the duty and I propose to amalgamate the two

charges into a consolidated duty of 2 annas a pound (without any surcharge) which will be leviable wholly under the Indian Tariff Act, the Ordinance being repealed.

53. I shall bring my indirect taxation proposals to a close with two important changes. The first relates to motor spirit and the second to bullion. It admits of no doubt that, if India is to advance economically and socially, a great improvement in her road communications will be necessary. Village must be joined with village, town with town and producing centres with markets. Although the supply of motor spirit is at present severely restricted, it is not too much to hope that before the next financial year is out both vehicles and petrol will be available in much greater abundance. I propose to encourage the use of road transport by reducing the rate of duty on motor spirit from 15 annas to 12 annas an imperial gallon. This will cost Rs. 165 lakhs of which the share of Customs will be Rs. 120 lakhs.

54. My last proposal under Customs is in respect of bullion. As the House is aware, the Indian prices of gold and silver bear no sort of parity with world prices. The paucity of imports has, in a large measure, contributed to the present high and artificial prices. With the end of the war, and with the general restoration of normal trade in sight, we may expect the resumption of bullion imports, but we must be prepared to have ready a suitable machinery which will render it unattractive on the part of anyone to indulge in speculation and to hope to reap profits at present levels. I propose, therefore, to provide for the imposition of a specific duty on gold bullion and coin at the rate of Rs. 25 a tola of 180 grains fine. This rate will be varied from time to time by a notification under the Sea Customs Act, in order to attain in an orderly manner a reasonable measure of approximation to world prices. The House will appreciate the difficulties that lie in the way of framing any estimate of the likely imports during next year and the revenue that may result. I am, however allowing for a revenue of Rs. 1 crore on this account, but the figure is no more than a shot in the dark.

55. As regards silver, the existing duty is 3 annas an ounce, with a surcharge of 7 1/5 pies. As it is proposed to have a specific duty (without surcharge) on gold, it is appropriate that the rate on silver should be brought reasonably in line with gold. I accordingly propose to alter the existing rate to 8 annas an ounce, without any surcharge. At this stage I am making no revenue provision on account of this change in the tariff, but this must not be taken as meaning that I am satisfied that there will be no increase in supplies available to the market next year.

All these changes, except that in regard to raw cotton, are being put into immediate effect.

56. I shall now summarise the financial effect of the above proposals. In the field of direct taxation, my income-tax proposals will cost Central Revenues Rs. 21.50 crores, while the changes under customs and excise are expected to yield a net Rs. 5 lakhs. The estimated gap between revenue and expenditure will thus be increased from Rs. 48.71 crores to Rs. 70.16 crores. To bridge a part of this gap, I propose to transfer to revenue Rs. 26.10 crores, being the estimated balances in the two War Risk Insurance Funds, which sums are transferable to revenue in pursuance of the provisions of the relevant Acts. On the basis of these proposals, next year's deficit comes to Rs. 44.06 crores.

I have come to the end of my story. I have aimed at keeping the revenue at the level necessary to sustain and advance India's economy and I have tried to do this by distributing the burdens and the reliefs evenly and fairly over the various classes of taxpayers. Is it too much to hope that the last budget presented by a British Finance Member will be judged on its merits and will not be rejected on purely political grounds ? I humbly believe that my proposals will do something to help my Indian successor, who will shortly be taking over from me and to whom I wish the best of good fortune, to lead India farther along the road to prosperity, happiness and greatness. However that may be, I can assure him of one thing, namely, that he can search the world in vain for a more able, a more loyal or a more devoted body of public servants than those who serve in India's Finance Department and who are predominantly Indian. Brief though my association with them has been, it will always be a source of pride to me that it was my privilege to be their leader, even if for so short a time.

RAILWAY BUDGET, 1946-47

Extract from the proceedings of a meeting of the Legislative Assembly held at New Delhi on Monday, 18th February 1946.

Speech of the War Transport Member, the Hon'ble Sir Edward Benthall, introducing the Railway Budget for 1946-47.

SIR,—The Railway Budget for 1946-47, which I have the honour to present to-day, is at one and the same time a Victory Budget and the precursor of a series of more difficult Post-war Budgets. There is no need for me to recount once again the extent of the contribution of the railwaymen towards the victory which has placed India in a position to develop her economic and political life in freedom. The strain has at times been great but they have been equal to it. Though conditions, particularly for passenger

traffic, have been difficult, all military requirements were successfully met, the people's food has been moved, industry has been maintained at a high level of productivity and, generally speaking, the railways have delivered the goods. The country can, I think, be satisfied that its greatest industrial asset has stood the test of war, but henceforward we must turn to a critical examination of this asset and consider how our railway finances stand and how best the resources in equipment and material can be adapted to meet the changing needs of post-war India.

Goods Traffic

2. With the termination of the war the distribution of traffic has, of course, changed. The reoccupation of Burma relieved the pressure on the metre-gauge connection to the North Eastern frontier which so long was a cause of anxiety, with the result that goods traffic is now moving fairly freely on the whole of the Northern metre-gauge system, and this should continue. The Southern metre-gauge system remains relatively active, but with the reinforcement of rolling stock and the easing of military demands goods traffic congestion will be gradually eliminated. On the broad-gauge, railways have loaded in the first nine months of the current financial year 6.24 per cent. more wagons and lifted 4.91 per cent. more tons of goods than in the corresponding period of the preceding year and, in spite of a decrease in military traffic, a high rate of activity continues although, of course, the distribution of traffic has altered. The transport of increased outputs of coal, particularly in the up-country direction, has presented difficulties which have recently been accentuated by severe outbreaks of epidemic dropsy and by mechanical trouble with some of the over-age engines on the East Indian Railway. Steps have been taken to overcome these difficulties and to move more coal by sea and it is accordingly hoped, as the new rolling stock comes into full operation, to carry all the goods offering and to build up stocks of coal in 1946 at the consumers' end. The railways should have the capacity to do so provided nothing intervenes to restrict its use, but as the stringency is likely to remain for some months to come, it will be necessary for the time being to maintain in operation, in decreasing degree, a system of priority movement control.

Passenger Traffic

3. Passenger traffic has continued at a very high level. The latest statistics show that, apart from the large number of military personnel moved in specials, the Class I Railways have carried an average of 85 million passengers every month during the current year. This means an increase of nine million passengers per month over 1944-45 or 20 millions over the monthly

average in the year 1943-44. The passenger traffic handled in scheduled trains in terms of passenger miles—a more comprehensive unit of measurement—had already doubled last year in comparison with the pre-war level but during the current year it is nearly two and a quarter times as much. With the reduction of military demand, it has been possible to restore a certain number of train services but, as the House knows, conditions of travel are still very far from satisfactory. There are no fewer than 1,366 broad-gauge and 416 metre-gauge coaches still with the military and until we get these back or get new stock, we shall be unable to restore the services to a satisfactory level and must therefore continue to ask the public to be patient over our difficulties for a little longer. The condition of the coaching stock too has deteriorated during the war through intensive use and, though the supply of fittings is likely to become progressively easier, it is not always possible to improve the condition of carriages quickly by withdrawing stock for repair without depleting services further, with still more serious inconvenience to the public. The improvement of the coaching stock position is one of the major tasks of the railways in the next few years. The first step to improve the position is the recovery and reconversion to civilian use of the stock loaned to the military and the overhaul of existing stock, some of which may require to be largely rebuilt. In addition, the 216 broad gauge and 94 metre gauge underframes which are arriving from Australia, together with all spare underframes which can be collected from the railways will be utilised for the early increase of lower class capacity. This programme will very fully occupy the shop and labour capacity of the railways for coachbuilding. The employment of outside engineering works for the fabrication of bodies for some of the underframes is under consideration; but this will not prejudice the employment of railway labour. As a longer term project experiments are being made in light weight "all-metal" stock, suitably insulated and, of course, of improved design. Sample orders have been placed in order to carry out the necessary tests.

The question of new designs for lower class passenger coaches has received intensive study and the opinions of Local Advisory Committees have been taken. Sample coaches are being constructed. The approved layouts contemplate transverse seating sectionalised to give greater privacy for both Inter and III class passengers. The seats will afford adequate knee room and provide a degree of seating comfort beyond anything offered to Inter and III class passengers in the past and an innovation is being introduced in that sleeping accommodation as such will be provided in these classes. The number of passengers per lavatory will be further reduced and some small compartments retained for women and for reservation. Water storage capacity will be increased and a water supply made available in both compartments and lavatories.

Lighting will be improved and fans provided in Inter class compartments. Renovation of upper class carriages will of course be taken in hand and railways will proceed with development of air-conditioned stock, but the main effort will be concentrated upon the improvement of lower class travel. It will, however, of course be appreciated that the volume of work entailed in bringing the stock up to the general standard which the country demands is large and cannot be achieved overnight by waving a magic wand.

Engines and Wagons

4. The position regarding engines and wagons is more satisfactory than that of coaching stock. Of the 934 broad-gauge engines on order to which I referred in my last year's budget speech 733 have been put into service, 29 have been shipped or already received in India and 172 remain to come forward. These should go a long way to secure the power position. Of the broad-gauge wagons previously on order 3,410 from the U.S.A. were cancelled on the cessation of Lease-Lend arrangements. Of the 17,934 wagons on order in India, we expect to have received 13,439 by March 31st and the balance next year. Tenders have been called for a further 4,100 wagons of Indian manufacture. We hope that we shall have received 6,000 of the 8,000 Canadian wagons and 3,800 of the 10,000 wagons on order from the United Kingdom by the end of the financial year and the balance soon after. When all these deliveries have been completed, the railways which commenced the war with some 7,279 broad and metre-gauge engines and 193,805 broad and metre-gauge wagons should have available 8,541 engines and 239,000 wagons. Among these, however, are 389 metre-gauge engines and 11,000 metre-gauge wagons owned by the War Department, but it is expected that the railways will take over a large proportion of these. Eleven per cent. of the total wagons have been in service for 40 years or have been recommended for premature replacement, but the Indian industry should be in a position to provide replacements and any further accretions necessary to meet developing trade. Of the engines, however, 29 per cent. have passed the normal age of 35 years and it may be necessary to order a certain number of passenger engines from overseas before the locomotive building works now in course of inauguration in India are in a position to meet the demand. The first boilers from Singhbhum are in an advanced stage of production and work is proceeding at Kanchrapara, although the heavy programme of engine rehabilitation in these works is resulting in slower progress than we could wish. On the whole, however, the stock of engines and wagons should be adequate for current purposes.

Staff

5. It is only natural that the large body of railway servants who have worked loyally and strenuously during the last few years in furtherance of the war effort should now view with apprehension the inevitable adjustments which must result from a return to peace-time conditions. Government is, of course, well aware of the widely felt fear that a reduction in railway activity and the absorption of ex-service men will result in the discharge of large numbers of temporary staff. Publicity has been given to a number of misleading figures which bear no relation to fact. It is true that a certain amount of purely war work undertaken by the Railways has ceased, together with a portion of the purely military traffic. This military traffic has, however, so far largely been replaced by increased civilian traffic and although it is difficult to look far ahead, there seems every prospect during the coming year of a demand for rail transportation comparable to that of 1943-44. But apart from this, rehabilitation works and new projects will absorb large numbers of railway workers in alternative employment and are being put in hand as rapidly as the supplies of raw material and the need for preparatory work permit. A variety of other means have also been adopted to avoid retrenchment on a large scale. Overtime has been cut down; in some cases, reduced hours of work for certain types of staff have been introduced; greater facilities for leave resulting in the entertainment of more substitutes have been arranged; certain leave rules—as a long-term policy—have been liberalised, while some work normally carried out by contract is, where possible, being temporarily allotted to departmental staff. The Railway Board and Railway Administrations are exploiting all these methods to the fullest possible extent in order to avoid throwing large bodies of workers out of employment during the immediate post-war period. There is no reason to believe that their efforts will not meet with success, but while the railways are playing their part in creating work for the workers, their degree of activity is, of course, ultimately dependent upon the general state of economic activity. So far, some 8,000 surplus men have been absorbed in this way and only 8,800 out of a total labour strength of over 850,000 have had to be discharged, many of whom were occupied on purely war work which has been closed down. The Railway Board have been in close touch with the All-India Railwaymen's Federation in regard to this question although they have been unable to accept the claim that no railway servant should be discharged, a claim which it would be impossible for any Government department or any other business concern employing large bodies of men to accept. The Board will moreover continue to keep a close watch on these adjustments in the labour strength and will consult the Federation from time to time as heretofore.

Organised labour is also demanding the immediate revision of scales of pay. It must be realised that a wholesale revision in the very great variety of scales which exist on different railways is at the best of times an intricate matter requiring close investigation. The difficulties of such a revision at the present time are intensified by the uncertainty of future price levels. The Railway Board have, however, been working for some time on a suitable post-war pay structure with the idea that the actual scales could be determined without delay as soon as there is more certainty as to the level at which prices, rates and fares are likely to become stabilised. As was recently announced on the floor of the House, Government have decided to set up a Commission which will be predominantly non-official in character, to go into the whole question of the scales of pay for all their servants. In the meantime railway servants may rest assured that the present rates of relief which they are enjoying will not be reduced as long as there is no material reduction in the cost of living.

The question of medical facilities and educational assistance, the working of Staff Councils and the Staff Benefit Fund, the hours of employment of railway workers, housing, technical training and the method of handling establishment matters, all these with other questions relating to specific categories of staff, are under review. In short the Railway Board are giving the welfare of railway servants a prominent position in their post-war programme.

Post-war Plans

6. Government recognise the important part which railway rehabilitation and development can play in mitigating the shock of transition between war-time and peace-time conditions and in providing work for railway and other workers who would otherwise be in danger of unemployment. Transport services are indeed the foundation of activity in the heavy industries and the railways are losing no time in putting into operation the plans, which the House has discussed on previous occasions. The programme of construction of new railways and restoration of dismantled lines has been settled in consultation with Provincial Governments and surveys are proceeding on 3,000 miles of line. Work is being put in hand on such sections as require no further survey but the bulk of the work planned cannot commence until the next working season. A large programme for building new staff quarters of improved types is under way and in designing these types the wives of railway staff have been consulted. The Sargent Committee has just submitted an interim report on the development of tourist traffic. Each railway has submitted its five-year programme for rehabilitation and development. The total amount budgeted next year for new construction and open line rehabilitation works is 22 crores which should be a useful contribution

to help counter the reduction in war expenditure. The Railway Board are also considering on a regional basis various schemes of developing electric traction, the establishment of a Research Branch, and plans to take advantage of and improve on the latest technical progress. Generally there is good reason to claim that the railways, in spite of their preoccupation with heavy war tasks, now find themselves comparatively well ahead in putting post-war plans into operation and I am confident that they will not be found wanting in meeting industrial demands for the development of the country.

Road-Rail Co-ordination

7. The proposals for co-ordinating road and rail transport in accordance with the general terms on which the last Assembly approved the investment of Government railway finance in road transport companies, have made uneven progress. Road transport is, of course, a provincial subject and progress in each Province has therefore been governed by the policy of the Provincial Government concerned. Most Governments have formulated policies of developing their road transport on lines which permit the railways to participate. It has been possible, therefore, in some Provinces to negotiate freely agreed arrangements between the Provinces, the railways concerned, and the operators; in others, the natural desire of the operators to secure the best possible terms for themselves has resulted in prolonged discussions; other Provinces again have not yet fully determined their policies and in such cases little advance is to be recorded. Meanwhile the progress made by the Railway Board in carrying out the principles of the policy laid down by the House, has been the subject of examination by a special committee of this House. A sum of 3.48 crores has been included in next year's budget for investment in road-rail companies. If this is agreed to, the test is still to come, for the success of the policy depends upon the ability of the operators who are charged with the management of these companies to perform their public duties. Private enterprise in the management of Government capital is very much on trial, but a continued study of the problem in the course of the negotiations which have taken place during the last year confirms the view that the course adopted is probably the best suited to the particular circumstances of India.

Accounts for 1944-45

8. Turning now to the accounts, the actual surplus for 1944-45 proved to be 49.89 crores, an improvement of 7.88 crores on the estimate due to an increase of 2.08 crores in gross traffic receipts and a saving of 5.22 crores in working expenses mainly due to a throw-forward to the following year. General revenues were credited with 32 crores of this surplus and the

Railway Reserve with 17.89 crores. The net increase in the Railway Reserve was, however, only 14.93 crores as there was a withdrawal of 2.96 crores to meet arrears of depreciation in respect of rolling stock.

Revised Estimates for 1945-46

9. Against our budget estimates of Receipts, we expect a large increase in passenger earnings, those from upper class traffic being expected to show a much larger proportionate increase (35 per cent.) than those from III class (14 per cent.). Our goods traffic will not differ appreciably from our estimate but there will be a considerable fall in parcels traffic. Our present estimate of gross traffic receipts is now 225 crores.

On the expenditure side we expect an increase over the Budget of 9.26 crores in ordinary Working Expenses and 24 lakhs in Payment to Worked Lines. The principal increases are 1.32 crores for additional staff; 4.21 crores for increased Dearness Allowance and 1.68 crores for Grain Shop concessions; 2.45 crores for Maintenance expenditure; 2.03 crores for coal, including extra charges for shipment by sea; 1.84 crores for military sidings and the inflationary element in Works expenditure; and 1.62 crores on account of interest and depreciation payable to the War Department for the use of works built at their expense and of rolling stock belonging to that department. On the other hand special adjustments on account of rolling stock are 6.16 crores less and there will be savings on account of the disbandment of the Defence of India units and of the abolition of Air Raid Precautions of some 107 lakhs. Our revised estimate of total Working Expenses, including Depreciation at 17.05 crores and Payment to Worked Lines, is 169.30 crores against the original budget of 159.87 crores.

Our net Revenue is expected to be 59.43 crores and after deducting interest charges of 27.36 crores, we expect a surplus of 32.07 crores which is 4.44 crores less than the original budget. Of this 32 crores will be transferred to General Revenues and the balance of 7 lakhs to the Railway Reserve Fund.

Estimates for 1946-47

10. Turning to next year's Budget, calculations must, of course, be largely a matter of guess-work. Basing our estimates of revenue, however, on this year's results and after allowing for a sharp decline expected in military and parcels traffic but for a maintenance of passenger traffic owing to a continuance of plethoric money conditions combined with cheap fares and a continued scarcity of consumption goods, we place our estimate for the next year at 177 crores which is 48 crores less than the

gross traffic receipts expected this year. In addition we expect a net revenue of 3.14 crores from miscellaneous transactions.

In making our estimate of ordinary working expenses in 1946-47 we have to reduce from this year's estimate 19.72 crores on account of the reduction in the special adjustments on account of rolling stock, military sidings and structural works, the write off of the cost of dismantled lines and abandoned assets and the hire charges payable to the War Department. We have provided 54 lakhs less under Repairs and 44 lakhs less under compensation claims. We expect to save 1.56 crores under Defence of India Units and 1.63 crores under loss on grain shops. These and other minor savings aggregate 24.66 crores. But although, we hope to stop sending coal by sea in the course of the year with a resultant saving in freight, we shall be using up this saving in moving more coal by rail in order to build up our depleted stocks. We also expect to spend 48 lakhs more on new minor works. After making these adjustments in the estimates for the current year, we place our estimate of ordinary working expenses for the next year at 125.73 crores. The appropriation to the Depreciation Fund will be reduced by 4 crores because of the stoppage of the additional contribution for excessive war-time wear and tear and there will be an increase of 17 lakhs on account of the increase in the Capital at charge which is due partly to the acquisition of further railway lines. Payments to worked lines are expected to be 61 lakhs less. After allowing for interest charges of 27.24 crores, our surplus net revenue is expected to be 12.22 crores, 19.85 crores less than in the current year.

Without prejudice to any settlement under a new Convention regarding the division of future surpluses between Railway Reserves and General Revenues which may have to be the subject of further consideration by Government and this House during the coming year, it has been decided that the contribution to General Revenues will consist of 1 per cent. of the capital at charge of commercial lines less the loss on strategic lines, together with half the balance remaining after setting aside 3 crores for a Betterment Fund. This will give 7.36 crores to General Revenues and 1.86 crores to the Railway Reserve Fund.

Betterment Fund

11. In February 1945 the Standing Finance Committee for Railways recommended that during years of prosperity a fund be built up by appropriation from surpluses for financing amenities for lower class passengers, the expenditure on which was likely to be unremunerative. We now have before us a large programme of additions and improvements covering amenities to lower class passengers, staff welfare and other items designed for the safety and comfort of the public, which are not likely to

be remunerative, and which unless other provision were made, would, contrary to the best railway practice in other countries and the advice of leading authorities on railway finance, be charged to Capital. Government accept the view that such betterments as do not increase the earning capacity of the railways should be a charge to revenue and not to Capital. In order, therefore, to provide for this and to enable the Board to plan ahead their programme of such works, they have decided to start a Betterment Fund by transferring a sum of 12 crores from the Railway Reserve and a sum of 3 crores from the net revenue of 1946-47. Subsequent appropriations to the fund will depend upon the net revenue of each year and on a consideration of the respective needs of the railways and of General Revenues subject, of course, to any Convention which may hereafter be adopted for the distribution of surpluses between Railway and General Revenues. Both appropriations to and expenditure from the Fund will be subject to the vote of the Legislature, but it has not be possible, in the time available since the decision was made, to include in the present budget any estimate of the expenditure from this fund next year.

Reserve Fund

12. We began the current year with a balance of 37.48 crores in the Reserve Fund. After withdrawal of 8.5 crores to cover the difference between the accumulations in the Depreciation Fund and the original cost of rolling stock, as arranged last year, and adding the surplus of 7 lakhs expected, the fund will stand at 29.05 crores on March 31st 1946. After transferring 12 crores to the Betterment Fund as suggested, withdrawing 1.82 crores on account of arrears of depreciation and adding the appropriation from surplus of 1.86 crores and 2 lakhs representing the profit on branch line shares purchased from the Reserve which will be cancelled on the acquisition of the lines by Government, the Fund at the end of 1946-47 will stand at 17.11 crores, of which 7 crores was earmarked last year for deferred maintenance.

Depreciation Reserve Fund

13. The Depreciation Fund which opened at 102.21 crores on April 1st 1945 is expected to close at 100.61 crores on March 31st 1946 and at 98.83 crores on March 31st 1947.

Review of the Railways' Position

14. In closing my last Railway Budget speech, it is proper to review the position of railway finance. There is no question, of course, that the Indian Government railways have prospered financially in many ways as the result of the war. On April 1st 1939 the Railways had accumulated unpaid contributions to

General Revenues of 35.41 crores, in spite of borrowings of over 30 crores from the Depreciation Fund which stood at 25.09 crores. The Railway Reserve Fund contained the exiguous figure of 48 lakhs only. At the end of the current year we calculate that after contributing during the war 158.43 crores to General Revenues including the arrears of contribution, our Depreciation Fund will stand at 100.61 crores and our Reserve Fund, before any transfer to the Betterment Fund, at 29.05 crores. We shall also have met loss on strategic lines to the extent of 6.01 crores.

In spite of these improvements calculations submitted to the Convention Committee showed that the Depreciation Fund is by no means excessive, if indeed it is adequate to meet the increased level of replacements. The Reserve Fund at the end of the current year will represent only some 3.82 per cent. of the capital at charge or only a little over one year's interest charges. It covers only a fraction of the large programme of amenities and improvements, many of them financially unremunerative, which we have in mind. Satisfaction must, therefore, be tempered with great caution, especially since the danger lies in our inability effectively to balance our budget in the future.

15. In this last connection it is my duty to issue a very clear warning. In 1938-39 the earnings of the railways were at a level of about 100 crores; they rose in 1941-42 to 135, in 1942-43 to 155, in 1943-44 to 185, in 1944-45 to 217 and this year we expect 225 crores. These results were mainly due to an increased volume of passenger and goods traffic, largely on account of war conditions and, only to a limited degree, which we estimate to an overall figure of 8 per cent., to increased rates and fares, mainly introduced in 1940. Our ordinary working expenses in 1938-39 were only 54.01 crores and, after deducting sundry abnormal charges, such as those due to the policy of writing down rolling stock purchased at high prices, rose to 102.35 crores in 1944-45 and are expected to be some 119.52 crores during the current year. Of these charges the increase between 1938-39 and the current year has been due to some 40 crores on account of staff and 12 crores for increased costs of coal, the cesses on which payable by the railways alone now equal about 50 per cent. of the total cost of coal excluding freight in 1939-40.

16. Sir, in 1944 Government recommended the House to increase fares in order to build up a fund for post-war amenities for 3rd class passengers at the rate of 10 crores per annum. The House rejected the proposal, which Government responsively withdrew, and in course of replying to the general debate on February 21st of that year I issued a strong warning to the House concerning the need for building up reserves in view of the inevitable fall in receipts on the cessation of war. I do not wish to

revive old controversies nor would I materially alter the words then used, but, as then foreshadowed, we budget next year on a fall of 48 crores in receipts to a figure of 177 crores, which is below the 1943-44 level. Future tendencies are more likely to be downwards than upwards.

17. In the course of the next year or two, Government will probably have to consider several very serious problems in connection with railway finances, among them the basis of the Depreciation Fund and the revision of the Convention, all of which will require the careful study of Committees of this House. But even more important, Government and the House may well have to give serious consideration to the linked problems of the levels of rates and fares, the price of coal and the level of wages. These are knotty problems which have to be faced courageously and with a broad outlook, if our post-war plans are to be brought to fruition, for, once our budget becomes unbalanced and our reserves are eaten up—and under unwise management they can disappear almost overnight—it will not be an easy matter to rebuild them or to find the money for extensions, improvements, staff benefits and amenities to passengers.

18. With regard to staff, it is the aim of Government to maintain the maximum possible employment on the railways, provided work of an economic kind can be found for them and to maintain wages and salaries at a level which will continue to give a fair deal to our men. It will take a very severe effort to earn the money to do justice to every one and much will depend upon the efficiency with which the staff themselves handle the traffic offering and encourage more traffic. As regards coal, no one I think, wishes to see coal prices driven down to such levels as to render economic and efficient working of the mines once again impossible. If therefore, expenses are not to be unduly cut, which would be against the expansionist policy of Government, the need to increase rates and fares in the future may have to be seriously faced, and, in this connection, I would recall that railway executives in the United Kingdom and elsewhere contemplate, I believe, that to meet similar conditions an increase of 20 or 25 per cent. may be necessary. Happily it is not necessary in India this year and, if traffic is maintained or expands, may never be necessary, but I should have failed in my duty if I had not put the contingency squarely before the House.

Rates

19. The acquisition by the Government of all the major Indian railways clearly renders desirable and possible a thorough revision of the railway rates *structure*. It is important in considering this subject to draw a distinction between a revision of the rates structure, system or procedure and the rating policy or determination of the *level* at which general or particular rates shall be

based in the post-war world. With regard to the latter question the House will probably agree with me that it is as difficult to determine with any finality at this point of time what the future level of rates shall be, as it is for Government to determine what the level of salaries and wages of their servants shall be or for a business firm to settle with any degree of permanency what the future sales levels of their products shall be. All are dependent upon a clearer view of the general level of prices and of costs of living, and the permanent rating policy must depend upon many factors as yet undetermined, such as the effect of road and sea transport on railway traffic and the tariff policy of the country. There is, however, no reason why the revision of the rates *structure* should not be tackled now. This task was in fact taken up by the Indian Railway Conference Association in 1943 and has since been under the close study of experts. In the past the rating structure was affected by the fact that each railway, company-owned and managed or otherwise, functioned as a commercial concern limited only by the statutory maxima and minima, and there has grown up a rating system of extreme complexity. It will probably bring home to the House the extent of this complexity if I mention that the unravelling of the system involves the detailed study and correlation of between 10 and 20 thousand rates. Progress may to the uninitiated seem slow, but valuable progress has been made. The Wedgwood Committee in 1937 found that the application of the " continuous " mileage principle to telescopic rates where the " discontinuous " mileage principle is now in force, would be bound to lead to heavy losses to the railways, which might, of course, severely affect their economic survival. Intensive study has shown that this hurdle can be overcome, and the Indian Railway Conference Association have reported favourably on the possibility of introducing telescopic class rates on a " continuous " mileage and on various other improvements and simplifications. It is hoped, therefore, before long to produce a revised system of rating which will eliminate the shortcomings of previous practice in unhealthy competition between railways which produced uneconomic and complicated rating and routing, to reduce very drastically the difference between railway risk and owners' risk rates, and to eliminate anomalies and simplify procedure to the greatest possible extent. These are objectives which had long been called for by public opinion, and I hope before next year that it will be possible to lay before a Committee of this House and the Post-War Transport Policy Committee for detailed study, proposals in a form in which the implications of this particularly complicated problem can be fairly easily assimilated.

Conclusion

20. And so to sum up, India has in her railways a very valuable asset which has been maintained without disastrous

loss of efficiency owing to war usage and which is in many ways much better equipped technically than before the war. Rehabilitation is in hand and resources exist to effect it without undue strain. Financially the position is far sounder than it has been at any stage in the history of the railways; its strength has been increased by the policy followed in the war and bears no relation to the situation revealed after the last war. Lower class travel has not been comfortable in the past because the main consideration has been the provision of cheap travel to India's impoverished masses, but improved coaching stock and other amenities together with properly co-ordinated road services should better the conditions of travel in future. The railways should soon be able to meet the demand for goods traffic and will expand to meet further industrial and agricultural production. The one great potential danger which has to be faced is the wartime legacy of a high level of operating costs and of post-war commitments for amenities, together with a level of rates and fares out of tune with the general level of prices. Forewarned is forearmed. India has a great asset which must be carefully nursed and firmly administered.

21. Finally, it gives me once again great pleasure to pay tribute in deep sincerity to the grand work of the railwaymen. From the Chief Commissioner, Sir Arthur Griffin, downwards they have given, under the heart-breaking limitations imposed by war conditions, good service to the public in critical days and, if I may end on a personal note, I shall for ever treasure the loyal support which I have had and the friendships and associations which I have enjoyed during my days among the railwaymen of India.

Rules and Regulations for the Measurement for tonnage of Cotton and other Goods in bales or packages under the orders of the Bombay Chamber of Commerce.

(*Adopted at a Special General Meeting of the Chamber, held on the 24th September* 1924.)

I. Whereas it is expedient to collate and amend the Rules and Regulations for the measurement of goods.

II. All such Rules and Regulations hitherto in force are hereby rescinded and the following are substituted therefor.

III. In the following Rules and Regulations and in any Orders that may from time to time be issued by the General Committee of the Chamber of Commerce under Rule XVII—

(*a*) Measurer shall mean a measurer appointed by the Committee of the Chamber of Commerce for the purposes of these rules.

(*b*) Measurement shall mean measurement by such measurer.

(*c*) Shipper shall mean the person shipping the goods or his representative.

(*d*) Quay shall mean a place in the Docks or at one of the Bunders recognized for the regular shipment of goods.

(*e*) Vessel shall mean a vessel propelled by sail or steam and not being used for the conveyance of goods from the quay to another vessel in the Port of Bombay.

(*f*) Boat shall mean a vessel, lighter or craft used for the conveyance of goods from the quay to a vessel in the Port of Bombay.

(*g*) Package shall mean a bale, case, barrel, cask, bag or other receptacle subject to measurement.

(*h*) Consignment shall mean the whole quantity of one commodity subject to measurement to be shipped by one shipper in one vessel.

(*i*) Lot shall mean a package or number of packages forming part of a consignment and presented by one shipper at one time for measurement.

IV. Public Measurers shall be appointed under the authority of the Chamber of Commerce and stationed at the different quays to measure packages.

V. Fees, the amount of which shall from time to time be fixed under the Orders of the General Committee of the Chamber of Commerce, shall be levied in accordance with such Orders on all goods presented for measurement.

VI. No measurement shall be held good except such as are taken by a Measurer and with instruments bearing the stamp of the Chamber of Commerce.

VII. Such instruments shall be supplied and issued to the Measurers by the Chamber of Commerce.

VIII. All instruments shall be submitted to the Secretary of the Chamber of Commerce at intervals to be prescribed by the Committee and a register of such inspections shall be kept.

IX. Measurers shall be responsible for the good order of their instruments and for the prompt return to the Secretary of the Chamber of such as are defective or doubtful.

X. The Chamber's stamp borne by instruments that are found by the Secretary to be defective shall be by him defaced.

XI. Instruments on which the Chamber's stamp has been defaced may be re-stamped under the directions of the Secretary when they are in good order.

XII. Certificates of measurements shall be issued to shippers and/or to Ship Agents in such form and in such manner as the Committee for the time being shall from time to time provide.

XIII. Provided always that the Measurer may withhold or recall such certificate on his having reasonable cause to believe that an irregularity in the matter of shipment has been or is being committed in respect of the goods to which such certificate relates.

XIV. The goods measured shall be alongside the vessel within thirty-six hours after measurement, weather permitting or the certificate shall be void and the packages shall be re-measured on board, written notice being given by the owner, agent or master of the ship to the Shipper and to the Measurer, respectively.

XV. Shippers shall as far as possible see that their goods are so arranged for measurement as not to retard the work of the Measurers.

XVI. The salaries of the Measurers, and all other expense connected with this system of measurement shall be paid by the Chamber of Commerce from the Fee Fund raised under these Rules.

XVII. The Committee of the Chamber of Commerce are hereby authorized to appoint and maintain such staff of Measurers and Assistants, to fix and to pay such salaries to that staff, to fix and to collect such fees, to issue and from time to time to modify such orders, and to do all other such acts and things as may in their opinion be necessary for the proper and economical working of the system in conformity with the general principles herein laid down.

Orders for the Conduct of Measurement of Goods for Tonnage by Public Measurers in the Port of Bombay.

(Issued by the Committee of the Bombay Chamber of Commerce in pursuance of Section XVII of the Rules and Regulations adopted at a Special General Meeting of the Chamber held on the 24th September, 1924.)

(1) All Orders hitherto in force for the governance of Measurers are hereby rescinded and the following are substituted.

(2) The Measurers shall be in attendance on the quays to which they are appointed whenever there are goods to be

measured. During the busy season Measurers are expected to be on duty early and late.

(3) All Measurement Fees shall be paid to the Measurement Fee Clerk, and no goods shall be measured without the production of the Customs House Pass bearing the endorsement of the said clerk to the effect that the fees have been paid.

(4) The certificates of measurements issued in conformity with Rule XII shall show—

(*a*) the date, hour and place of measurement;
(*b*) the name of the shipper;
(*c*) the name of the vessel;
(*d*) the port of destination;
(*e*) the number and description of packages;
(*f*) the marks;
(*g*) the measurement;

and in the case of goods shipped by boat—

(*h*) the registered number of the boat;
(*i*) the name of the tindal.

The certificates of measurement shall be issued by the Measurers and shall in every case be signed by the Measurer who measured the goods.

(5) The whole of the packages forming a consignment of not more than thirty-two packages must be deposited on the quay before measurement is taken.

(6) Consignments of more than thirty-two packages may be presented for measurement in lots of not less than thirty-two packages provided always that each lot, as soon as it is measured, is loaded into boats or shipped and that no unmeasured lot is mixed with a measured lot. Provided also that a final lot of less than thirty-two packages, being the complement of a consignment of more than thirty-two packages, may be measured separately.

(7) Shippers failing to have each lot as soon as measured loaded into boats or shipped; or shippers mixing unmeasured goods with measured goods or permitting them to be mixed; or shippers retarding the work of the Department by failing to move with reasonable promptitude the bales required by the Measurer to be moved for the proper performance of his duties; or shippers attempting to elude these regulations, any such persons or their representatives may be required by the Measurer to deposit on the quay the whole complement of their consignment before measurement is taken. In all cases when such requisition is made, the Measurer making it shall briefly report

in writing to the Secretary the name of the shipper against whom, the goods in respect of which and the reason for which, it has been made.

(8) A Measurer withholding or recalling a certificate under Section XIII of the Rules and Regulations adopted on the 24th September 1924 shall likewise briefly report to the Secretary in writing.

(9) No goods shall be measured otherwise than on a quay excepting under the special conditions contemplated under Rule XIV and Order 22.

(10) Each and every package in a lot of packages not of uniform dimensions shall be measured individually. This Rule shall not apply to lots of pressed bales from various presses if the shipper arrange such diverse bales according to their respective dimensions separately on the quay.

(11) In regard to packages of uniform dimensions the Measurer shall use his judgment as to the proportion of such goods he should measure; but such proportion shall in no case be less than five per centum of each lot. Care must be taken by the Measurers that they are not induced to measure packages that do not fairly represent the average.

(12) In no case shall a shipper's man or men be allowed to put the callipers on a package. A peon of the Chamber holding the callipers may, when standing exactly in front, pull them tight with his hands but not when standing on one side, nor shall he ever be allowed to pull the callipers towards his chest or side or to put his shoulder to them.

(13) In measurement for length, care must be taken that the legs of the callipers touch the ground and that bales when being measured lie in the same position as when in the press. Measurement of bales for depth and breadth shall be taken on the ends, half the number of bales being measured on the marked end and half on the other end.

(14) Measurers when measuring pressed bales shall ascertain whether all are from one press or not, and under orders (10) and (11) of these orders shall further ascertain how many bales there are from each press and shall give measurement accordingly and show on the certificate the number of bales to which each measurement relates.

(15) In cases where the shipper shall hand to the Measurer a letter from the owner, agent or master of the vessel authorising the Measurer to accept for measurement and calculation of average such packages as the said shipper may reserve for such measurement, the Measurer shall measure the packages so

reserved and give a certificate on the basis of their measurement, provided that such packages represent not less than five per centum of the entire consignment.

(16) The scale of measurement fees leviable under Rules V and XVII shall be as follows :—

(*a*) On Cotton, Wool, Hemp, Aloe Fibre, Twist (white and coloured), Rags, and waste in pressed bales—pies 6 per bale.

(*b*) On Round Timber or Logs—each annas 8.

(*c*) On Gunny bales from Calcutta, Hide and Skins, Piecegoods, and all goods not included under (*a*) and (*b*), packages of divers dimensions—annas 2 per package.

Subject to a rebate of anna one per package on the Measurer's certifying that the lot measured consisted of not less than 50 packages all of uniform dimensions.

(*d*) On goods of any description measured on board a vessel—annas 2 per package.

(*e*) When the work of the Department admits of such an arrangement, the exclusive services of a Measurer for a day may be secured on payment to the Secretary of a fee of Rs. 10.

(*f*) The attendance of a Measurer on a Sunday or one of the Charter-Party Holidays when the Docks are closed may be secured on application to the Secretary, accompanied by the sum of Rs. 15 which shall be paid by him to the Measurer appointed by him to attend. The fee of Rs. 15 shall cover the services of one Measurer for one ship. If two Measurers are applied for two fees of Rs. 15 must be paid at the time of application. If a Measurer is required to work on more than one steamer a separate fee of Rs. 15 must be paid in respect of each steamer.

(*g*) The attendance of a Measurer for night duty may be secured in the same manner as above.

(17) All disputes as to the applicability of Order 16 (*d*) under Rule XIV shall be referred to the Weather Working Days Committee of the Chamber and the decision of that Committee shall be final. With respect to Order 16 (*d*) a refund of anna one per package will be made on declaration of the said Committee, remitted on the invitation of the claimant that the state of the weather during the thirty-six hours of grace allowed had been such as to justify the shipper's delay in bringing the goods alongside.

(18) Refund of measurement fees in full shall be made in respect of a consignment or portion of a consignment shut out after measurement.

(19) In respect of Round Timber and Logs, the measurement to be certified, in accordance with Order 4 (*g*), shall be as follows :—

Length in feet and inches : As found with tape.

Breadth : The mean of two measurements taken with callipers at thickest and thinnest portions.

Depth : The mean of two measurements taken with callipers at thickest and thinnest portions.

The certificate shall also show under Order 4 (*a*) not only the time at which the work of measurement was commenced, but the time at which it was completed. On application to the Secretary supported by evidence of time as here provided refund will be made of the difference between the fee as prescribed under Order (16) (*b*), and a charge of Rupees Two for every hour or part of an hour actually occupied in measurement.

(20) Refund of Measurement Fees shall not be made for any sum less than three Rupees.

(21) All claims for Refund of Measurement Fees shall be made to the Secretary of the Chamber of Commerce who shall allow or disallow such claims in conformity with these Orders, but no claim for Refund of Measurement Fees shall be allowed unless presented within one month from the date of the sailing of the vessel concerned.

(22) Each Measurer shall keep a Dispute Book and it shall be competent for any shipper or the owner, agent or master of a vessel who disputes the correctness of a measurement given in respect of goods being shipped by him to call for the said Dispute Book, which the Measurer shall produce at once, and to enter therein a claim to have the goods in question or any portion of them remeasured. And on the said shipper or the owner, agent or master of a vessel depositing with the Measurer the sum of annas 2 for each package to be measured, the Measurer shall at once remeasure such package or packages in such a manner that the shipper or the owner, agent or master of a vessel can see whether the measurement is correctly taken and shall give to the shipper or the owner, agent or master of a vessel a certificate of the measurement so found and write thereon the words " Protested Certificate. Fee paid Rs. . . . . " and the sum so paid. The Measurer shall immediately thereafter forward to the Secretary a statement of the case together with the amount of the Fee received.

Provided that on any of the stations where more than one measurer is employed, the Measurer whose measurements are disputed shall, immediately after receiving the protest and fee, call another Measurer who shall make the remeasurement in the manner above laid down, shall issue the " Protested Certificate " and forward the necessary statement to the Secretary.

(23) Should a shipper demand remeasurement under Order 22 and should such remeasurement, in the opinion of the Secretary, show the original measurement not to have been substantially correct, the extra fee of annas 2 per package shall be refunded to the shipper on demand and the case reported to the Committee.

(24) Every Measurer shall receive a book of Measurement Slips together with indelible pencil and carbon paper for making such slip in quadruplicate. The Measurer will hand to the shippers at the time of measurement the original and the third carbon copy; the first carbon copy will be handed to the ship's agent on demand and the second carbon copy will be retained for the Chamber's records.

Provided that when goods are shipped in boats for delivery alongside, the said first carbon copy, belonging to the ship's agent, shall be handed to the boatman from whom it should be obtained by the ship's officers.

STATEMENT showing the Total Measurement of Bales and Miscellaneous Packages with Receipts, Expenditure, etc.

Year ending.	No. of Bales and Packages measured.	Receipts.	Expenditure.	Surplus Receipts.	Excess of Expenditure.
		Rs.	Rs.	Rs.	Rs.
From 18th May 1870 to 30th Nov. 1872	Not recorded.	52,215	36,315	15,900	..
From 1st Dec. 1872 to 30th Nov. 1873	1,086,577	16,995	15,291	1,704	..
Year ending 30th November 1874 ..	1,402,379	21,707	18,986	2,721	..
Do. 30th November 1875 ..	1,474,470	23,039	22,009	1,030	..
Do. 30th November 1876 ..	1,240,034	19,375	22,355	..	2,980
Do. 30th November 1877 ..	1,101,318	18,324	21,561	..	3,237
Do. 30th November 1878 ..	1,040,961	20,837	23,287	..	2,450
Do. 30th November 1879 ..	887,100	28,808	20,140	8,668	..
Do. 30th November 1880 ..	1,163,545	33,219	20,084	13,135	..
Do. 30th November 1881 ..	1,313,592	25,177	24,029	1,148	..
Do. 30th November 1882 ..	1,892,796	33,225	24,757	8,468	..
Do. 30th November 1883 ..	1,852,047	33,792	25,605	8,187	..
Do. 30th November 1884 ..	1,814,986	33,404	22,604	10,800	..
Do. 31st December 1885 ..	1,402,845	29,482	24,385	5,097	..
Do. 31st December 1886 ..	1,748,856	32,893	21,582	11,311	..
Do. 31st December 1887 ..	1,845,446	35,933	20,017	15,916	..
Do. 31st December 1888 ..	1,659,273	36,371	21,057	15,314	..
Do. 31st December 1889 ..	2,156,604	43,042	21,648	21,394	..
Do. 31st December 1890 ..	2,330,935	45,872	23,171	22,701	..
Do. 31st December 1891 ..	2,012,900	39,533	23,402	16,131	..
Do. 31st December 1892 ..	1,946,389	38,017	24,495	13,522	..
Do. 31st December 1893 ..	1,691,755	32,517	24,273	8,244	..
Do. 31st December 1894 ..	1,708,723	33,665	25,156	8,509	..
Do. 31st December 1895 ..	1,679,325	34,921	21,546	13,375	..
Do. 31st December 1896 ..	2,049,862	40,061	22,240	17,821	..
Do. 31st December 1897 ..	1,746,610	33,956	22,484	11,472	..
Do. 31st December 1898 ..	1,910,140	36,174	21,100	15,074	..
Do. 31st December 1899 ..	2,132,663	41,684	21,041	20,643	..
Do. 31st December 1900 ..	1,147,591	28,302	20,844	7,458	..
Do. 31st December 1901 ..	2,947,198	45,497	21,918	23,579	..
Do. 31st December 1902 ..	2,159,823	43,709	26,865	16,844	..
Do. 31st December 1903 ..	2,664,171	53,654	31,522	22,132	..
Do. 31st December 1904 ..	2,292,791	48,673	19,666	29,007	..
Do. 31st December 1905 ..	2,534,599	53,255	21,427	31,828	..
Do. 31st December 1906 ..	2,685,432	54,215	23,516	30,699	..
Do. 31st December 1907 ..	2,976,312	60,171	27,054	33,117	..
Do. 31st December 1908 ..	2,302,349	48,844	29,706	19,138	..
Do. 31st December 1909 ..	2,736,023	57,502	28,310	29,192	..
Do. 31st December 1910 ..	3,163,919	65,853	30,617	35,236	..
Do. 31st December 1911 ..	2,390,016	54,123	34,028	20,095	..
Do. 31st December 1912 ..	2,528,825	55,571	31,953	23,618	..
Do. 31st December 1913 ..	3,127,997	64,049	32,441	31,608	..
Do. 31st December 1914 ..	3,336,685	65,197	36,014	29,183	..
Do. 31st December 1915 ..	3,361,744	73,410	35,002	38,408	..
Do. 31st December 1916 ..	3,409,241	85,407	37,571	47,836	..
Do. 31st December 1917 ..	2,944,353	67,356	41,360	25,996	..
Do. 31st December 1918 ..	1,933,943	73,386	41,640	31,746	..
Do. 31st December 1919 ..	2,910,991	86,189	46,154	40,035	..
Do. 31st December 1920 ..	3,027,873	1,06,901	70,146	36,755	..
Do. 31st December 1921 ..	3,407,858	1,54,071	70,208	83,863	..
Do. 31st December 1922 ..	3,517,691	1,60,333	76,399	83,934	..
Do. 31st December 1923 ..	2,692,835	1,24,179	76,939	47,240	..
Do. 31st December 1924 ..	2,365,531	1,16,002	72,034	43,968	..
Do. 31st December 1925 ..	2,111,055	1,09,375	69,703	39,672	..
Do. 31st December 1926 ..	1,785,602	1,08,621	68,203	40,418	..
Do. 31st December 1927 ..	1,573,756	1,33,382	74,839	58,543	..
Do. 31st December 1928 ..	1,991,021	1,13,092	71,963	41,129	..
Do. 31st December 1929 ..	1,825,481	1,02,578	69,338	33,240	..
Do. 31st December 1930 ..	1,812,795	1,00,015	69,192	30,823	..
Do. 31st December 1931 ..	1,288,522	82,470	62,917	19,553	..
Do. 31st December 1932 ..	985,491	79,726	60,855	18,871	..
Do. 31st December 1933 ..	1,255,823	77,857	57,161	20,696	..
Do. 31st December 1934 ..	1,185,092	76,414	55,958	20,456	..
Do. 31st December 1935 ..	1,312,477	80,997	60,126	20,871	..
Do. 31st December 1936 ..	1,480,674	87,086	60,676	26,410	..
Do. 31st December 1937 ..	1,592,567	1,03,975	67,914	36,061	..
Do. 31st December 1938 ..	1,645,592	1,06,116	79,615	26,501	..
Do. 31st December 1939 ..	1,388,253	93,819	75,999	17,820	..
Do. 31st December 1940 ..	1,519,661	1,12,739	65,480	47,259	..
Do. 31st December 1941 ..	2,269,911	1,85,892	85,228	1,00,664	..
Do. 31st December 1942 ..	2,590,102	2,14,935	1,01,459	1,13,476	..
Do. 31st December 1943 ..	1,583,475	1,47,167	95,786	51,381	..
Do. 31st December 1944 ..	990,351	1,28,690	87,527	41,163	..
Do. 31st December 1945 ..	1,138,984	1,11,614	90,992	20,622	..

Statement showing the Total Measurement and weighment of Bales and Miscellaneous Packages, with Receipts for the years 1923 *to* 1945.

Years.	Nett Bales certified Measurement.				Nett Miscellaneous Articles.				Nett Weighment Packages.				Nett Round Logs.				Extra Fees.				Nett Totals.			
	Number of Bales.	Nett Fees.			Number of Packages.	Nett Fees.			Number of Packages.	Nett Fees.			Number of Logs.	Nett Fees.			Amount.				Packages.	Nett Fees.		
		Rs.	a.	p.		Rs.	a.	p.		Rs.	a.	p.		Rs.	a.	p.	Rs.	a.	p.			Rs.	a.	p.
1923..	2,024,508	63,265	14	0	668,323	57,951	2	3	..	..			4	2	0	0	2,960	7	6		2,692,835	1,24,179	7	9
1924..	1,723,813	53,869	2	6	641,718	58,174	5	9	..	..			..	..			3,958	14	0		2,365,531	1,16,002	6	3
1925..	1,579,403	49,356	5	6	531,652	55,700	2	6	..	..			..	..			4,318	7	6		2,111,055	1,09,374	15	6
1926..	1,254,587	39,205	13	6	531,015	63,323	9	0	..	..			..	..			6,091	7	6		1,785,602	1,08,620	14	0
1927..	996,512	31,141	0	0	577,244	68,542	0	0	..	..			..	..			33,699	10	0		1,573,756	1,33,382	10	0
1928..	1,480,555	46,267	5	6	510,388	60,803	15	0	..	..			78	39	0	0	5,981	6	0		1,991,021	1,13,091	10	6
1929..	1,328,917	41,528	10	6	496,505	58,565	3	0	..	..			59	29	8	0	2,455	0	6		1,825,481	1,02,578	6	0
1930..	1,365,626	42,675	13	0	447,169	51,784	15	0	..	..			..	..			5,554	7	6		1,812,795	1,00,015	3	6
1931..	882,510	27,578	7	0	406,012	47,149	1	0	..	..			..	..			7,743	1	0		1,288,522	82,470	9	0
1932..	487,331	15,229	1	6	498,160	56,297	1	0	..	..			..	..			8,199	15	0		985,491	79,726	1	6
1933..	834,305	26,072	0	6	421,518	46,986	4	0	..	..			..	..			4,799	2	6		1,255,823	77,857	7	0
1934..	738,590	23,080	15	0	446,502	51,297	12	0	..	..			..	..			2,035	4	0		1,185,092	76,413	15	0
1935..	861,868	26,933	6	0	450,609	51,453	10	0	..	..			..	..			2,610	6	6		1,312,477	80,997	6	6
1936..	1,003,105	31,347	0	6	477,562	54,601	2	0	..	..			7	3	8	0	1,134	8	6		1,480,674	87,086	3	0
1937..	890,184	27,818	4	0	589,709	66,567	4	0	112,659	6,953	11	0	15	7	8	0	2,628	3	0		1,592,567	1,03,974	14	0
1938..	771,860	24,120	10	0	502,612	57,301	3	0	371,120	22,882	8	0	..	..			1,812	4	6		1,645,592	1,06,116	9	6
1939..	690,835	21,588	9	6	500,526	57,034	10	0	196,887	12,166	6	0	5	2	8	0	3,027	5	0		1,388,253	93,819	6	6
1940..	646,462	20,201	15	0	674,508	74,724	12	0	198,589	12,171	2	6	102	17	4	0	5,624	2	6		1,519,661	1,12,739	4	0
1941..	585,399	18,293	11	6	1,408,357	140,141	14	0	276,155	15,505	0	6	..	..			11,951	6	0		2,269,911	1,85,892	0	0
1942..	674,587	21,080	13	6	1,737,015	172,331	10	6	178,500	17,301	3	6	..	..			4,220	14	6		2,590,102	2,14,934	10	0
1943..	286,017	8,938	0	6	1,265,373	133,468	15	0	32,085	3,113	11	0	..	..			1,646	12	0		1,583,475	1,47,167	6	6
1944..	282,723	8,835	1	6	684,162	113,698	5	0	23,466	4,841	9	6	..	..			1,315	0	0		990,351	1,28,690	0	0
1945..	399,191	12,474	11	6	662,464	90,581	8	0	77,329	6,694	7	6	..	..			1,863	6	0		1,138,984	1,11,614	1	0

FINANCIAL STATISTICS.

RESERVE BANK OF INDIA

Balance Sheet as at 29th March 1946

ISSUE DEPARTMENT

LIABILITIES.	Rs.	ASSETS.	Rs.
Notes held in the Banking Department ..	19,63,56,000	Gold Coin and Bullion—	
		(a) Held in India	44,41,45,000
		(b) Held outside India	....
Notes in Circulation	1,218,77,42,000	Sterling Securities	1120,32,89,000
		Rupee Coin	15,82,59,000
		Government of India Rupee Securities	57,84,05,000
		Internal Bills of Exchange and other Commercial Paper	....
Total Rs. ..	12,38,40,98,000	Total Rs. ..	12,38,40,98,000

BALANCE at the credit of the Government of India in the Reserve Bank of India on 31st March
(In Lakhs of Rupees 00,000s omitted).

1936	1,142	1941	1,357
1937	1,285	1942	1,515
1938	1,772	1943	1,741
1939	1,666	1944	8,349
1940	1,565	1945	26,879

	Official year 1944-45. Rs.	Official year 1943-44. Rs.	Official year 1942-43. Rs.
MINTAGE OF RUPEE COINS IN INDIA—(Bombay, Calcutta and Lahore Mints)—			
Quaternary Rupees	26,54,00,000	7,47,00,636	21,16,00,001

NET PROFIT ON COINAGE (Nickel, Bronze and Copper) for the year 1943-44 .. .. Rs. 7,53,63,358

	Rs.
AMOUNT OF GOVERNMENT PROMISSORY NOTES standing on the London Registers at the end of March 1934 ..	8,16,29,300
,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, 1935 ..	8,48,36,000
,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, 1936 ..	7,91,99,000
,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, 1937 ..	7,74,08,000
,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, 1938 ..	7,63,18,000
,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, 1939 ..	7,55,28,150
,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, 1940 ..	5,44,65,550
,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, 1941 ..	5,38,36,550
,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, 1942 ..	2,05,78,550
,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, 1943 ..	2,01,62,750
,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, 1944 ..	1,95,97,950
,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, 1945 ..	1,91,58,550
,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, 1946 ..	1,90,14,850

IMPORT AND EXPORT TRADE OF BRITISH INDIA.

STATEMENT showing the Annual Value of the Import and Export Trade of British India and the Total Miles of Railway open.

Year ending 31st March.	Total Miles of Railway open.	Imports.			Exports.		
		Merchandise.	Treasure.	Total Merchandise and Treasure.	Merchandise.	Treasure.	Total Merchandise and Treasure.
		Rs.	Rs.	Rs.	Rs	Rs.	Rs.
1878	8,217	41,46,41,851	17,35,54,596	58,81,96,447	65,22,23,282	2,21,09,956	67,43,33,238
1879	8,494	37,80,09,835	7,05,67,486	44,85,77,321	60,93,68,769	3,98,22,283	64,91,91,052
1880	9,162	41,17,25,671	11,65,48,948	52,82,74,619	67,21,07,406	2,03,51,479	69,24,58,885
1881	9,890	53,08,68,074	8,99,72,139	62,08,40,213	74,54,09,072	1,44,04,408	75,98,13,480
1882	10,149	49,11,28,724	11,32,27,804	60,43,56,528	81,96,64,102	1,09,97,468	83,06,61,576
1883	10,458	52,09,86,720	13,45,33,642	65,55,20,362	83,48,49,372	1,04,18,488	84,52,67,860
1884	11,631	55,29,89,907	12,87,79,633	68,17,69,540	88,07,64,315	1,00,84,937	89,08,49,252
1885	12,283	55,70,16,804	13,88,81,918	69,58,98,722	83,17,01,507	1,96,89,796	85,13,91,302
1886	12,892	55,65,19,552	15,46,70,808	71,11,90,360	83,86,11,693	1,10,82,310	84,96,94,603
1887	14,103	61,81,19,608	11,04,83,224	72,86,02,832	88,48,10,354	1,72,04,261	90,20,14,615
1888	14,576	65,00,45,881	13,81,25,456	78,81,71,337	90,54,36,458	1,60,46,242	92,14,82,700
1889	15,887	69,43,77,531	13,84,49,249	83,28,26,780	97,06,02,386	1,78,43,819	98,84,46,205
1890	16,401	69,19,93,762	17,45,45,037	86,65,38,799	1,03,44,87,052	1,90,63,218	1,05,35,50,270
1891	17,308	71,97,57,754	21,93,44,876	93,91,02,630	1,00,21,50,575	2,12,31,785	1,02,33,82,360
1892	17,815	69,42,75,659	14,72,26,621	84,15,02,280	1,08,17,79,873	3,28,66,858	1,11,46,46,731
1893	18,504	66,27,86,222	17,00,98,101	83,28,84,323	1,06,57,46,715	6,95,89,237	1,13,53,35,952
1894	18,900	77,02,60,944	18,46,12,564	95,48,73,508	1,06,51,48,540	4,10,01,921	1,10,61,50,461
1895	19,547	73,51,65,042	9,58,12,084	83,09,77,126	1,08,92,91,101	8,22,60,717	1,17,15,51,818
1896	20,254	72,93,61,344	13,36,79,854	86,30,41,198	1,14,34,59,341	4,25,98,105	1,18,60,57,446
1897	21,115	76,21,58,352	13,08,45,635	89,30,03,987	1,03,98,36,184	4,93,74,955	1,08,92,11,139
1898	22,040	73,63,43,159	20,53,06,170	94,16,49,329	97,63,51,802	7,14,86,470	1,04,78,38,272
1899	23,523	72,11,07,161	17,89,56,127	90,00,63,238	1,12,80,11,811	7,41,14,207	1,20,21,26,018
1900	24,752	75,30,44,785	20,97,36,851	96,27,81,636	1,09,11,36,448	7,95,63,876	1,17,07,00,324
1901	25,363	80,89,40,873	24,57,61,818	1,05,47,02,691	1,07,76,44,143	14,22,73,646	1,21,99,17,789
1902	25,931	88,74,24,199	20,87,13,352	1,09,61,37,551	1,24,52,48,571	11,47,08,603	1,35,99,57,174
1903	26,956	85,86,60,829	25,31,83,178	1,11,18,44,007	1,29,40,79,337	9,65,76,370	1,39,06,55,707

1904	27,565	92,59,22,723	38,52,61,072	1,31,11,83,795	1,53,51,71,599	15,04,38,811	1,68,56,10,410
1905	28,295	1,04,41,27,454	39,50,81,750	1,43,92,09,204	1,57,70,83,029	16,42,88,167	1,74,13,71,196
1906	29,097	1,12,07,09,822	31,65,14,438	1,43,72,24,260	1,61,85,53,960	15,47,00,054	1,77,32,54,014
1907	30,010	1,17,24,15,294	44,57,98,114	1,61,82,13,408	1,76,66,94,270	5,71,82,526	1,82,38,76,796
1908	30,576	1,36,53,80,464	42,28,44,977	1,78,82,25,441	1,77,37,29,392	5,44,85,001	1,82,82,14,393
1909	31,490	1,28,77,81,788	22,74,41,677	1,51,52,23,465	1,53,14,31,953	6,32,02,465	1,59,46,34,418
1910	32,099	1,22,64,97,224	37,52,34,734	1,60,17,31,958	1,87,83,04,410	6,39,90,403	1,94,22,94,813
1911	32,839	1,33,70,57,458	39,77,35,730	1,73,47,93,188	2,10,15,16,030	7,12,69,254	2,17,27,85,284
1912	33,484	1,44,05,54,383	53,47,08,480	1,97,52,62,863	2,27,98,82,325	10,37,39,063	2,38,36,21,388
1913	34,656	1,66,62,96,807	61,83,17,536	2,28,46,14,343	2,46,21,83,342	10,63,17,656	2,56,85,00,998
1914	34,656	1,91,30,79,586	43,43,96,503	2,34,74,76,089	2,40,00,74,896	7,08,28,850	2,56,09,03,746
1915	35,285	1,44,93,07,207	21,80,83,236	1,66,73,90,443	1,82,17,60,256	5,28,94,370	1,87,46,54,626
1916	35,833	1,38,16,93,032	11,94,62,390	1,50,11,55,422	1,99,48,03,975	8,22,57,819	2,07,70,61,794
1917	36,286	1,60,24,89,599	38,45,26,695	1,98,70,16,294	2,47,37,74,815	6,41,72,070	2,53,79,46,885
1918	36,333	1,64,35,48,949	51,76,43,160	2,16,11,92,109	2,44,90,40,505	7,54,39,185	2,52,44,79,690
1919	36,616	1,88,56,24,317	71,36,55,075	2,59,92,79,392	2,55,32,02,610	9,01,03,571	2,64,33,06,181
1920	36,735	2,21,70,24,425	78,23,88,554	2,99,94,12,979	3,32,75,78,755	13,67,97,719	3,46,43,76,474
1921	37,029	3,47,13,52,122	34,76,34,962	3,81,89,87,084	2,67,64,36,175	26,17,12,640	2,93,81,48,815
1922	37,266	2,82,59,75,453	31,29,90,526	3,13,89,65,979	2,48,65,76,106	19,06,73,144	2,67,72,49,250
1923	37,618	2,46,19,24,109	63,57,96,096	3,09,77,20,205	3,16,07,16,915	3,01,71,845	3,19,08,88,760
1924	38,039	2,37,18,32,279	53,20,40,566	2,90,38,72,845	3,63,37,63,664	3,67,32,510	3,67,04,96,174
1925	38,270	2,53,36,36,608	99,19,84,987	3,52,56,21,595	4,00,24,27,531	5,16,81,392	4,05,41,08,923
1926	38,580	2,36,00,12,595	55,48,77,580	2,91,48,90,175	3,86,81,21,842	3,83,91,668	3,90,65,13,510
1927	39,048	2,40,81,84,303	41,53,20,573	2,82,35,04,876	3,11,05,04,300	2,21,13,404	3,13,26,17,704
1928	39,712	2,61,52,38,665	34,89,53,529	2,96,41,92,194	3,30,26,37,283	3,13,60,896	3,33,39,98,179
1929	40,950	2,63,39,79,360	37,29,42,646	3,00,69,22,006	3,39,15,06,656	6,35,31,454	3,45,50,38,110
1930	41,723	2,49,70,74,490	27,83,19,584	2,77,53,94,074	3,18,98,97,089	5,14,33,004	3,24,13,30,093
1931	42,281	1,73,09,08,307	26,86,34,373	1,99,95,42,680	2,26,51,21,864	4,00,08,598	2,30,51,30,462
1932	42,813	1,30,64,28,506	7,26,80,825	1,37,91,09,331	1,61,20,22,325	65,92,85,265	2,27,13,07,590
1933	42,961	1,35,01,76,054	2,99,13,188	1,38,00,89,242	1,35,93,34,109	70,66,15,528	2,06,59,49,637
1934	42,953	1,17,30,45,422	1,96,15,215	1,19,26,60,637	1,51,17,15,209	65,56,83,908	2,16,73,79,117
1935	43,021	1,34,58,25,058	5,19,17,165	1,39,77,42,223	1,55,49,71,644	63,50,46,139	2,19,00,17,783
1936	43,118	1,36,76,36,945	7,44,88,569	1,44,21,25,514	1,64,59,67,984	45,66,88,147	2,10,26,56,131
1937	43,128	1,27,72,13,251	15,50,89,994	1,43,23,03,245	2,02,48,94,884	30,20,40,314	2,32,69,35,198
1938*	41,076	1,77,22,08,967	4,71,24,768	1,81,93,33,735	1,89,76,39,162	19,76,70,257	2,09,53,09,419
1939*	41,134	1,55,55,32,005	3,24,36,026	1,58,79,68,031	1,69,83,11,805	15,19,54,275	1,85,02,66,080
1940*	41,156	1,68,96,13,528	6,64,41,915	1,75,60,55,443	2,15,95,10,828	40,79,57,074	2,56,74,67,902
1941*	41,052	†1,56,96,88,235	....	....	†1,98,71,57,790	....	....
1942*	40,477	†1,73,14,82,062	....	....	†2,52,88,47,590	....	....
1943*	40,525	†1,10,44,43,095	....	....	†1,94,96,18,245	....	....
1944*	40,512	†1,17,77,92,656	....	....	†2,09,99,01,278	....	....
1945*	40,509	†2,00,98,03,630	....	....	†2,27,73,72,161	....	....

* Exclusive of Burma due to separation.

† Imports and Exports of Government Stores and Treasure not available.

Exports of Cotton, Wool, Linseed, Rape Seed, Gingelly Seed, Wheat and Myrabollams from Bombay by Sea to Europe (including Port Said for orders) during the Calendar Years 1892 *to* 1923.

Years.	Cotton.	Wool and Goat Hair.	Linseed.	Rape Seed.	Gingelly Seed.	Wheat.	Myrabollams.
	Bales.	Bales.	Cwts.	Cwts.	Cwts.	Cwts.	Cwts.
1892	954,243	53,275	3,805,823	1,758,459	1,227,560	9,374,762	620,133
1893	857,771	49,538	4,319,264	4,275,862	1,510,317	5,043,690	563,053
1894	797,070	54,678	5,389,941	3,306,108	1,126,418	1,561,048	1,076,482
1895	624,465	61,586	2,639,749	1,829,827	1,379,335	2,522,933	775,582
1896	772,258	58,520	3,214,613	1,495,463	1,186,842	1,429,572	839,314
1897	511,899	51,710	775,838	1,874,663	831,398	5,343	555,081
1898	490,544	51,653	2,729,122	2,287,393	1,847,419	5,781,881	635,732
1899	500,232	53,272	2,136,142	1,967,680	1,613,679	2,852,863	752,343
1900	232,425	40,611	811,128	1,050,052	1,613,135	608	878,740
1901	560,434	33,091	1,754,701	2,586,544	1,704,817	38,619	728,055
1902	577,929	39,793	2,017,704	2,742,283	1,881,426	211,397	1,079,241
1903	958,199	49,332	2,957,635	2,614,181	3,063,821	2,783,625	748,137
1904	926,295	58,319	3,808,789	2,182,881	2,266,118	5,302,304	958,886
1905	667,323	63,666	3,485,956	728,041	1,420,503	4,205,315	621,298
1906	989,693	59,101	1,889,089	829,438	1,578,931	485,747	779,584
1907	1,126,376	54,390	2,333,472	2,026,544	2,235,206	552,660	848,293
1908	659,822	47,344	1,046,806	802,923	1,018,619	12,740	1,304,388
1909	672,247	69,121	1,843,403	1,273,005	1,620,631	2,177,644	76,757
1910	1,153,233	68,059	2,546,238	2,137,828	2,864,185	1,673,016	917,208
1911	776,417	62,721	4,905,089	1,383,053	2,016,231	3,326,327	662,892
1912	436,208	64,072	3,579,356	1,069,916	1,012,554	3,805,556	652,080
1913	736,262	63,244	3,713,812	1,042,510	1,695,000	4,997,989	549,483
1914	1,113,016	54,555	2,622,097	678,060	1,280,036	109,323	755,687

Exports of Cotton, Wool, Linseed, Rape Seed, Gingelly Seed, Wheat and Myrabollams from Bombay by Sea to Europe (including Port Said for orders) during the Calendar Years 1892 *to* 1923—continued.

Years.	Cotton.	Wool and Goat Hair.	Linseed.	Rape Seed.	Gingelly Seed.	Wheat.	Myrabollams.
	Bales.	Bales.	Cwts.	Cwts.	Cwts.	Cwts.	Cwts.
1915	403,322	82,456	1,603,837	543,494	150,068	1,593,092	601,144
1916	293,876	77,109	5,410,560	451,732	1,130,405	545,656	422,965
1917	358,378	84,151	2,630,619	321,811	639,091	4,636,634	408,692
1918	190,529	109,850	2,474,109	73,181	3,552	1,487,714	300,061
1919	337,043	63,038	2,689,540	396,514	331,022	126,416	538,022
1920	649,736	42,920	1,511,233	729,716	678,059	....	346,812
1921	503,215	36,931	524,442	165,908	264,842	....	419,329
1922	628,674	75,326	2,307,369	464,045	610,412	1,000	525,031
1923	980,710	51,734	3,043,144	786,356	156,675	419,046	389,198
Exports of Cotton Wool, Linseed, Rape Seed, Gingelly Seed, Wheat and Myrabollams from Bombay, Years 1924 *to* 1945.							
1924	2,520,053	75,992	2,990,141	881,200	468,157	547,085	888,994
1925	2,820,629	66,329	3,524,849	531,136	812,900	1,187,532	605,257
1926	2,257,802	46,347	1,585,096	77,894	72,752	138,592	719,078
1927	2,052,225	57,996	1,641,559	52,861	80,010	32,880	883,259
1928	2,563,221	71,769	1,828,077	189,435	471,740	68,162	641,162
1929	2,678,328	83,264	1,576,531	39,838	415,725	47,553	729,169
1930	2,755,604	41,532	2,110,422	13,354	19,708	32,857	732,974
1931	2,194,682	49,201	926,552	18,155	83,802	71,035	644,706
1932	924,302	33,474	491,481	39,023	248,126	26,236	592,374
1933	1,545,611	57,388	3,298,611	49,677	305,965	25,937	709,041
1934 .. .. †	1,713,319	41,329	3,229,879	69,178*	143,941	24,865	617,732
1935	1,633,888	48,036	1,222,517	43,854*	11,230	30,088	702,840
1936	2,153,096	34,789	3,329,916	52,145*	85,023	46,884	655,634
1937	1,779,985	38,033	2,086,453	53,742*	250,228	50,131	623,774
1938	1,535,838	33,350	3,334,933	46,674*	83,175	40,738	549,023
1939	1,619,859	51,477	2,593,561	42,988*	45,114	45,962	770,253
1940	1,368,584	17,626	2,063,025	96,737*	31,389	44,005	553,826
1941	704,383	32,253	2,291,457	34,227*	45,067	83,287	263,262
1942	280,316	16,711	2,619,082	16,731*	161,737	2,537	254,308
1943	205,336	9,519	494,101	13,295*	113,013	311	101,126
1944	192,876	21,388	1,073,870	3,249*	17,504	..	89,456
1945	217,646	15,931	2,199,316	6,771*	51,073	..	307,178

* Inclusive of Mustard Seed. † Includes Cotton exported to Calcutta and Coast Ports.

STATEMENT showing the Exports from Bombay by Sea of Indian Manufactured Cotton Piecegoods and Yarns since 1908.

Year ending 31st Dec.	Grey and White Piecegoods.			Coloured Piecegoods.		Total Piecegoods.			Yarns.	
	Packages.	Yards.	Lbs.	Packages.	Yards.	Packages.	Yards.	Lbs.*	Bales.	Lbs.
1908	120,300	215,698,687	60,862,003	30,997	50,792,342	151,297	266,491,029	66,622,757	598,621	234,484,640
1909	141,920	252,992,500	70,093,139	39,326	66,751,717	181,246	319,744,217	79,936,054	636,329	252,460,745
1910	136,972	250,489,940	68,312,314	45,333	75,673,845	182,305	326,163,785	81,540,946	565,999	223,758,970
1911	122,601	224,438,698	63,524,949	54,000	89,411,376	176,601	313,850,074	78,462,518	403,214	158,582,640
1912	126,681	231,976,527	66,009,051	64,169	107,289,928	190,850	339,266,455	84,816,614	579,281	228,759,617
1913	97,005	177,239,570	50,527,978	55,071	92,467,657	152,076	269,707,227	67,426,807	518,230	205,207,962
1914	91,837	169,515,937	49,361,518	42,084	72,602,270	133,921	242,118,207	60,529,552	437,159	173,172,953
1915	108,956	199,968,079	58,350,926	61,045	103,038,333	170,001	303,006,412	75,751,603	471,395	186,585,698
1916	175,923	248,326,445	70,956,464	82,818	139,616,532	258,741	387,942,977	96,985,744	410,972	162,627,300
1917	111,845	176,934,869	46,119,953	86,909	148,290,803	198,754	325,225,672	81,306,418	373,187	147,167,250
1918	94,071	153,463,774	40,025,958	71,424	126,063,308	165,495	279,527,082	69,881,770	193,275	75,599,059
1919	*132,112*	219,343,388	56,536,165	116,313	202,286,577	248,425	421,629,965	105,407,491	372,212	146,832,081
1920	149,552	241,230,910	61,482,863	157,042	120,332,112	306,594	361,563,022	90,390,755	288,778	113,351,962
1921	120,739	212,563,435	53,577,720	99,518	159,572,347	220,257	372,135,782	93,033,945	314,330	124,310,163
1922	138,769	254,292,354	65 928,239	100,581	176,411,422	239,350	430,703,776	107,675,944	267,711	105,122,885
1923	173,381	304,497,408	69,452,982	110,243	180,990,710	283,624	485,488,118	121,372,029	215,036	83,657,151
1924	177,950	320,087,971	75,657,413	103,999	169,055,231	281,949	489,143,202	122,285,800	175,175	67,861,329
1925	133,458	233,217,232	55,688,235	96,447	158,069,128	229,905	391,286,360	97,821,590	176,210	67,892,155
1926	119,331	210,752,239	50,243,116	112,795	180,075,412	232,126	390,827,651	97,706,912	175,869	67,786,883
1927	130,963	229,773,883	55,215,566	118,474	196,438,974	249,437	426,212,857	106,553,214	156,999	60,555,498
1928	100,699	177,282,508	34,777,044	97,936	157,677,505	198,635	334,960,013	83,740,003	102,954	40,816,700
1929	106,748	193,179,168	38,635,833	82,351	147,586,666	189,099	340,765,834	85,191,458	125,577	54,361,428
1930	136,281	241,220,836	48,264,399	75,555	122,465,715	211,836	363,686,551	90,921,637	126,006	50,490,540
1931	192,578	342,654,885	68,686,328	80,346	127,129,785	272,924	469,784,670	117,446,167	142,236	65,666,253
1932	294,483	794,303,908	106,795,020	72,177	108,236,606	366,660	902,540,514	225,635,128	122,156	46,294,310
1933	209,259	390,535,659	78,065,873	58,052	87,899,698	267,311	478,435,357	119,608,839	112,059	43,557,629
1934	229,024	414,324,303	86,762,142	65,728	94,046,841	294,752	508,371,144	127,092,786	94,853	37,126,195
1935	216,300	383,877,416	76,775,483	55,416	81,771,947	271,716	465,649,363	116,412,340	88,088	34,626,637
1936	243,834	442,916,172	88,583,234	58,167	84,883,124	302,001	527,799,296	131,949,824	80,995	31,337,340
1937	263,665	406,706,851	81,341,332	98,229	105,542,821	361,894	512,249,672	128,062,418	99,726	33,158,260
1938	222,819	497,943,219	99,588,644	68,733	90,598,779	291,552	588,541,998	147,135,499	133,719	53,845,533
1939	214,894	402,959,694	80,591,939	74,921	89,945,061	289,815	492,904,755	123,226,189	101,524	39,757,666
1940	201,513	302,405,778	60,481,156	115,362	160,859,627	316,875	463,265,405	115,816,351	94,721	35,675,019
1941	296,697	419,784,283	83,956,857	226,989	324,513,230	523,686	744,297,513	186,074,378	158,184	61,449,881
1942	390,241	552,134,680	110,426,936	290,590	417,484,050	680,831	969,618,730	242,404,682	150,350	55,111,582
1943	304,381	431,793,523	86,358,704	139,402	191,003,543	443,783	622,797,066	155,699,266	50,543	18,203,572
1944	330,102	482,532,083	96,506,413	140,275	195,084,649	470,377	677,616,712	169,404,178	68,171	23,532,517
1945	283,749	380,325,802	76,065,160	148,690	193,149,075	432,439	573,474,877	143,368,719	42,982	17,393,136

* The weights have been arrived at by dividing the length in yards by 4.00 the average weight of the Grey and Bleached Cloth.

Foreign Countries to which Cotton Grey and White Piecegoods of Indian manufacture have been exported from Bombay by Sea since 1939. (*Year ending* 31*st December*.)

In lakhs of yards (000's omitted).

To	1939	1940	1941	1942	1943	1944	1945
United Kingdom	8.23	164.24	149.98	58.37	..	..	..
Turkey in Europe	..	..	..	16.54	124.76	189.36	77.75
Other European Countries	2.73	2.54	0.36	..	..	..	0.03
America	6.53	18.56	30.46	15.56	..	..	..
Burma	500.76	487.05	537.55	2.60	..	..	..
Ceylon	20.67	48.85	90.78	31.23	46.47	74.32	58.14
China (including Hongkong)	0.57	1.79	2.02	...	..	..	..
Straits Settlements	41.82	114.40	293.85	..	..	..	..
Iran	..	0.13	0.56	222.58	30.15	46.37	18.55
Iraq	2.31	14.12	40.44	353.00	111.93	138.72	165.49
Arabia	2.47	1.50	19,09	197.56	91.09	110.16	122.02
Turkey (Asiatic)	..	..	..	141.97	112.95	..	..
Palestine	..	4.72	110.13	273.86	18.98	65.81	25.46
Syria	..	2.07	17.73	141.06	8.09	0.07	23.22
Cyprus	8.62	7.92	10.34	4.85	11.68	10.76	11.21
Aden	4.73	4.62	87.96	366.51	339.26	375.23	404.52
Madagascar	..	..	..	..	59.73	78.53	71.91
Mauritius, Seychelles and Reunion	41.39	20.46	20.53	16.85	58.19	22.55	15.11
British East Africa	18.19	193.26	565.95	333.46	339.31	333.72	382.02
Portuguese East Africa	28.46	40.39	82.18	56.76	18.92	9.23	5.77
African Red Sea Ports	2.53	3.63	89.96	571.80	590.69	608.54	733.58
South Africa	4.06	50.95	212.91	260.17	244.58	224.48	159.31
Egypt	19.80	33.08	261.41	216.77	29.97	0.02	24.17
North Africa (excluding Egypt)	..	..	..	4.47	45.74	18.74	17.28
West Africa	38.17	156.09	280.27	565.23	489.05	204.43	311.47
Australasia	12.58	161.06	229.80	843.02	374.47	240.78	259.94
Sumatra and Borneo	1.82	5.85	68.93	80.93	..	..	..
British Malaya	14.35	22,98	26.00	..	..	..	..
East Indies and Phillipines	0.38	..	0.57	0.61	..	..	..
Other Foreign Countries	1.93	5.13	9.61	4.14	11.21	5.18	8.79
Total Grey and White Piecegoods	783.10	1,565.39	3,239.37	4,779.90	3,157.22	2,757.00	2,895.74

Foreign Countries to which Indian Cotton Yarn have been exported from Bombay by Sea since 1939.
(*Year ending* 31*st December.*)

(In lakhs of lbs. (000's omitted.)

To	1939	1940	1941	1942	1943	1944	1945
United Kingdom	0.31	32.26	33.09	..	..	..	..
Turkey in Europe	5.37	1.19	0.30	3.27	34.27	12.69	12.50
Other European Countries	1.28	1.22	0.06	..	..	..	..
America	0.51	..	..	0.23	..	..	..
Burma	67.50	102.57	158.10	1.64	..	..	..
Ceylon	1.11	0.94	0.97	0.61	0.48	0.51	..
China (Including Hongkong)	37.07	61.09	27.72	..	..	..	..
Straits Settlements	40.23	26.86	38.45	..	..	..	..
Iran	0.01	..	..	3.77	0.87	..	..
Iraq	9.76	18.87	15.19	19.64	2.82	3.18	9.36
Arabia	6.03	3.57	4.51	4.71	0.57	0.81	..
Turkey (Asiatic)	1.48	0.12	0.35	24.26	4.02	..	..
Palestine	3.46	4.55	27.57	43.10	30.66	45.94	22.28
Syria	30.04	3.87	6.25	82.95	4.77	4.84	6.14
Cyprus	2.98	1.92	4.09	4.47	4.41	5.48	4.48
Aden	15.61	6.05	72,83	69.47	6.56	27.97	9.55
Madagascar	..	..	..	..	..	..	..
Mauritius, Seychelles and Reunion	0.02	0.10	..	..	..	..	..
British East Africa	2.24	1.50	2.80	1.25	0.16	0.02	..
Portuguese East Africa	0.78	0.17	1.42	1.34	..	..	..
African Red Sea Ports	0.04	..	9.13	21.26	0.11	2.78	30.20
South Africa	0.82	17.54	32.84	47.89	28.09	10.91	4.21
Egypt	2.40	4.13	39.40	14.85	0.75	0.40	3.87
North Africa (Excluding Egypt)	..	..	..	..	..	..	..
West Africa	..	0.17	0.77	5.08	2.02	1.73	1.83
Australasia	0.09	5.64	7.84	32.01	5.52	6.64	0.67
Sumatra and Borneo	0.20	0.08	74.22	97.15	..	..	..
British Malaya	0.40	0.42	0.06	..	..	..	..
East Indies and Phillipines	14.01	2.90	4.80	6.28	..	..	..
Other Foreign Countries	1.28	0.42	0.88	..	..	..	..
Total Yarns	245.03	298.15	563.64	485.23	126.08	123.90	105.09

COAL.

Imports of Coal into Bombay by Sea and Rail.

The following return of the Imports of Coal into Bombay by Sea and Rail in the years 1939 to 1945 is printed for the information of members :—

From	1939.	1940.	1941.	1942.	1943.	1944.	1945.
By Sea.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Europe	200	1,422	400	..	..	..	..
Australia ..	..	..	..	..	..	..	..
Japan	..	..	..	..	..	..	..
Africa	17,006	410	1,090	5,850	..	..	..
Other Foreign Countries ..	285	45	..	..	..	..	..
Indian Ports ..	412,053	41,042	3,495	35,605	33,322	4,955	153,917
Total—By Sea..	429,544	43,819	4,985	41,455	33,322	4,955	153,917
Total—By Rail.	232,294	623,446	769,230	786,227	587,351	514,412	282,829
Grand Total ..	661,838	667,265	774,215	827,682	620,673	519,367	436,746

WHEAT.

The total area reported for the season 1944-45 was 35,410,000 acres as against 33,775,000 acres the previous year, or an increase of 1,635,000 acres or 4.6 per cent. The total yield of the crop was estimated at 10,405,000 tons as compared with 9,883,000 tons the previous year or an increase of 522,000 tons or 5.02 per cent.

The following figures show the total Acreage and Outturn of Wheat in each official year from 1892-93 to 1944-45 :—

Years.	Area (in thousand Acres).	Outturn (in thousand Tons.)
1892-93	27,759	7,649
1893-94	28,717	7,269
1894-95	28,422	6,999
1895-96	24,071	5,380
1896-97	20,580	5,363
1897-98	24,538	7,208
1898-99	25,370	6,838

WHEAT STATISTICS—*contd.*

Years	Area (in thousand Acres).	Outturn (in thousand Tons).
1899-1900	18,688	5,357
1900-01	23,868	7,094
1901-02	23,446	6,091
1902-03	23,433	7,971
1903-04	28,413	9,641
1904-05	28,470	7,582
1905-06	26,296	8,579
1906-07	28,536	8,159
1907-08	22,806	6,104
1908-09	26,068	7,598
1909-10	28,018	9,591
1910-11	30,490	10,041
1911-12	31,141	9,925
1912-13	29,524	9,715
1913-14 . ..	28,475	8,358
1914-15	32,475	10,091
1915-16	30,320	8,652
1916-17	32,940	10,234
1917-18	35,487	9,922
1918-19	23,798	7,508
1919-20	29,949	10,122
1920-21 . ..	25,783	6,706
1921-22 . ..	28,207	9,830
1922-23	30,844	9,982
1923-24	31,181	9,660
1924-25	31,774	8,866
1925-26	30,471	8,696
1926-27	31,303	8,973
1927-28	32,193	7,791
1928-29	31,973	8,591
1929-30	31,654	10,469
1930-31	32,189	9,305
1931-32	33,803	9,024
1932-33	32,970	9,449
1933-34	35,992	9,414
1934-35 .. .	34,490	9,728
1935-36	33,639	9,420
1936-37	33,215	9,752
1937-38	35,640	10,764
1938-39	35,441	9,963
1939-40	34,009	10,767
1940-41	34,849	10,027
1941-42	33,914	9,990
1942-43	34,014	10,935
1943-44	33,775	9,883
1944-45*	35,410	10,405

*Subject to revision.

Estimate of the Wheat Crop of the Season 1944-45. *Share of each Province and State of Area and Yield for* 1943-44 *and* 1944-45. (000's omitted).

Provinces and States.	Area.			Yield.			Increase or Decrease in the Current Year over				Yield per Acre.	
							Area.		Yield.			
	Current Year (1944-45)	Previous Year (1943-44)	Average of preceding 5 years.	Current Year (1944-45)	Previous Year (1943-44)	Average of preceding 5 years	Previous Year (1943-44)	Average of preceding 5 years	Previous Year (1943-44)	Average of preceding 5 years	1944-45.	1943-44.
	Acres	Acres	Acres	Tons	Tons	Tons	Per cent.	Per cent.	Per cent.	Per cent.	Lbs.	Lbs.
British Provinces.												
Punjab	10,264	9,919	9,890	3,948	3,598	3,677	+ 3.5	+ 3.8	+ 9.7	+ 7.4	862	813
United Provinces	7,892	7,672	7,997	2,645	(b) 2,526	2,796	+ 2.9	— 1.3	+ 4.7	— 5.4	751	738
Central Provinces and Berar	2,746	(b) 2,668	3,038	506	370	553	+ 2.9	— 9.6	+36.8	— 8.5	413	311
Bombay	1,939	(b) 1,562	1,638	279	(b) 270	290	+24.1	+18.4	+ 3.3	— 3.8	322	387
Sind	1,405	(b) 1,489	1,262	334	(b) 508	377	— 5.6	+11.3	—34.3	—11.4	533	764
Bihar	1,205	1,221	1,181	432	(b) 407	456	— 1.3	+ 2.0	+ 6.1	— 5.3	803	747
North-West Frontier Province	1,107	982	1,036	272	249	256	+12.7	+ 6.9	+ 9.2	+ 6.2	550	568
Bengal	168	192	174	39	51	43	—12.5	— 3.4	—23.5	— 9.3	520	595
Delhi	53	55	45	12	13	13	— 3.6	+17.8	— 7.7	— 7.7	507	530
Ajmer-Merwara	28	27	16	9	10	5	+ 3.7	+75.0	—10.0	+80.0	720	830
Orissa	7	7	4	2	2	1	..	+75.0	..	+100.0	640	640
Total British Provinces.	26,814	(b) 25,794	26,281	8,478	(b) 8,004	8,467	+ 4.0	+ 2.0	+ 5.9	+ 0.1	708	695
Indian States.												
Punjab States	1,630	1,636	1,575	544	554	520	— 0.4	+ 3.5	— 1.8	+ 4.6	748	759
United Provinces State (Rampur)	94	(b) 96	115	24	(b) 27	34	— 2.1	—18.3	—11.1	—29.4	572	630
Eastern Agency States	83	(b) 79	74	12	(b) 13	13	+ 5.1	+12.2	— 7.7	— 7.7	323	369
Bombay States	554	(b) 430	367	122	106	97	+28.8	+51.0	+15.1	+25.8	493	552
Sind State (Khairpur)	128	(b) 130	107	42	(b) 42	31	— 1.5	+19.6	..	+35.5	735	724
Central India States	2,326	1,967	2,121	314	241	346	+18.3	+ 9.7	+30.3	— 9.2	302	274
Gwalior State	1,449	1,334	1,441	381	347	336	+ 8.6	+ 0.6	+ 9.8	+13.4	589	583
Rajputana State	1,572	1,507	1,287	364	(b) 418	347	+ 4.3	+22.1	—12.9	+ 4.9	519	621
Hyderabad State	654	696	1,102	72	77	145	— 6.0	—40.7	— 6.5	—50.3	247	248
Baroda State	102	102	75	52	54	29	..	+36.0	— 3.7	+79.3	1,142	1,186
Mysore State	4	4	3	(a)	(a)	1	..	+33.3	..	..	280	280
Total Indian States.	8,596	(b) 7,981	8,267	1,927	(b) 1,879	1,899	+ 7.7	+ 4.0	+ 2.6	+ 1.5	502	527
Grand Total	35,410	(b) 33,775	34,548	10,405	(b) 9,883	10,366	+ 4.8	+ 2.5	+ 5.3	+ 0.4	658	655

(a) Below 500 tons

(b) Revised.

COTTON 1944-45

The first Government forecast, which is published in the month of August each year, was not published in August 1944 but only on 21st December 1944 and indicated an acreage of 11,560,000 acres, or a reduction of 24 per cent. against the revised estimate on the corresponding date in 1943 for season 1943-44.

The final estimate issued at the end of August 1945 for the whole of India was 14,803,000 acres as compared with 20,398,000 acres (revised) for the season 1943-44, a decrease of 27 per cent.

Government estimated the final yield at 3,543,000 bales as compared with 5,094,000 bales (revised) for the season 1943-44, a decrease of 30 per cent. Private estimates based on actual pressings plus offtake in loose condition were higher by about 8 lakhs bales.

A very remarkable feature of the season under review was the small crop of 3,915,000 bales (excluding the 450,000 bales put down for extra factory consumption) according to private trade estimates. The area of 14,803,000 acres planted to cotton was the lowest on record for over 25 years. This was in accordance with the Government plan to grow more food by restricting cotton production, especially of short staple cotton. Besides the drastic cut in acreage, the climatic conditions in the important Oomra districts (excessive rain during the growing period) adversely affected the yield. The quality of cotton was rather above average in the Oomra districts and in the short staple Deshi areas of the Punjab, below average for long staple cotton in the Sind and the Punjab, somewhat below normal in the Western and Coomptah districts and about normal elsewhere.

The following figures show the movement of cotton through Bombay during the season 1944-45 :—

	Bales.
Stocks on 1st September 1944, as estimated by the East India Cotton Association, Ltd. ..	1,082,463
Arrivals by rail and sea during the year ending 31st August 1945	2,051,085
Arrivals by road as estimated by the East India Cotton Association, Ltd.	16,205
	3,149,753

		Bales.
Exports during the year ending 31st August 1945:		
United Kingdom	27,598	
Continent	21,750	
America	4,220	
Other foreign countries and coastal ports	114,322	
		167,890
Exports by rail		323,434
		491,324
Bombay Mill consumption		1,493,240
		1,984,564
*Estimated carry-over on 31st August 1945 ..		1,165,189
		3,149,753

Permission to commence trading in 1944-45 crop was given by the East India Cotton Association on 19th September 1944. I.C.C. March opened at Rs. 434½ and May at Rs. 439½. After touching the month's high on 22nd September (I.C.C. March Rs. 444½) the contract showed signs of weakness and by the end of the month had declined to Rs. 414½. Lack of speculative enterprise, the impending crop movement in Sind and the uncertainty about the duration of the war, both in the West and the East, were contributory factors to the decline.

The March contract which was traded at Rs. 420 on the 3rd of October declined steadily until it touched a low of Rs. 391½ on 14th October. Subsequently the contract recovered a part of the lost ground and at the end of October it was traded at Rs. 410. The opening rate on the 1st of November was Rs. 410½ and after ruling steady for a few days the contract again declined to Rs. 398½ on 7th November in sympathy with a poor ready market and some selling pressure from Sind. Thereafter the market was dominated by the activities of a group of buyers who carried the I.C.C. March contract to Rs. 424 by the end of November. The first week of December witnessed a further strengthening of the contract which reached Rs. 451. on 9th December. From this level the contract declined and was traded at Rs. 410 on 14th December. By 21st December the contract had again uptilted to Rs. 450 and on publication of the first Government acreage forecast for season 1944-45 showing a

* The East India Cotton Association Ltd. estimated the stock on 31st August 1945, as 1,169,188 bales.

reduction of 24 per cent. the rate jumped to Rs. 459 but only to fall back again to Rs. 450½ the same day. The March and May contracts closed on 30th December 1944 at Rs. 442¼ and Rs. 453¾ respectively.

At the beginning of January the I.C.C. stood at Rs. 442½ and Rs. 453½ for the March and May positions respectively. Owing to the activities of the Bull syndicate, which was buying heavily, and certain bullish factors, such as better war news, reviving expectation of early peace, small crop estimates and good mill demand, the contracts rose gradually and touched Rs. 466 and Rs. 473½ respectively on 27th January. At this high level the bull group commenced unloading some of their holdings and the whole of the advance was lost again during the last few days of the month.

During February fluctuations in the futures market were very narrow with trading on the whole featureless. I.C.C. March moved between Rs. 446 and Rs. 436, mostly around Rs. 440/442, and closed on 28th February at Rs. 446. Mill enquiry throughout smaller than in January, was fair during the first half of February and very moderate during the latter half.

During the month of March the bull syndicate attempted to squeeze the March hedge contract. Out of 146,800 bales total delivery orders, the group weighed over more than 25,000 bales tenders, mostly Jarilla. It secured a lot of excellent cotton. The tenders were the largest since 1940/41 when 252,400 bales were tendered against the Broach April/May contract. The price movement in the hedge contracts during March was mainly governed by the operations of the bull syndicate. From the February close of Rs. 452 I.C.C. May rose steadily till it reached Rs. 460 on 7th March due to covering by scared shorts who were impressed by the Syndicate's willingness to take tenders. From this level the rate fell back to Rs. 448/450 but a Customs notification which appeared at this time allowing exports of cotton to France and Belgium, coupled with peace rumours raised the May contract again to Rs. 458½. At this point the contract had to absorb a lot of hedge selling against cotton taken up in tenders and on 31st March it closed at Rs. 448¾.

Despite some bullish factors like the imminence of peace in Europe and the smallness of the current season's crop, the Indian cotton contract registered a drastic decline in April. To a great extent this was due to selling pressure of the bull syndicate. The important members of the syndicate were selling largely to hedge their tenders. Between the end of March and end of April I.C.C. May declined by Rs. 38½ from Rs. 448¾ to Rs. 410¼, and I.C.C. July by Rs. 35¼, from Rs. 462½ to Rs. 427¼. The maximum decline during the month actually exceeded Rs. 50.

I.C.C. May having touched on 27th April a low point of Rs. 395½ and July Rs. 413½.

The end of the war in Europe on the 8th of May 1945 did not have much effect on the Bombay futures market. There was a fair amount of speculative buying and selling, especially during the first three weeks of the month, often with daily price swings of about Rs. 10 but the undertone was easy throughout. I.C.C. July closed on 31st May at Rs. 411½, Rs. 16 below the end of April closing. During June there was some better trading and the contract gradually worked itself higher until it touched Rs. 425½ on 27th June. On 30th June, the July and September contracts closed at Rs. 422¼ and Rs. 433½ respectively.

In July and August 1945 the contract market in Bombay was again dominated by the activities of the bull syndicate. The I.C.C. July contract which opened at Rs. 423½ on 2nd July closed at Rs. 419 on the 25th. The I.C.C. September contract showed a net rise of only Re. 1 over the month from Rs. 434½ to Rs. 435½. The market was steady all the time and fluctuations were small.

August was a most eventful month, not only in world affairs but also in Indian cotton markets, especially the Bombay market. The unexpected and sudden termination of the war in the East on Japanese surrender upset all calculations of the members of the bull syndicate who were heavily long in cotton. Prices registered a decline of over Rs. 80 per candy within 18 days. The first shock was felt on 10th August when on the news of Japanese readiness to surrender, the rather inflated bullion prices slumped 10 per cent. (Gold) and 5 per cent. (Silver). Having apparently a considerable long interest also in bullion, the bull syndicate changed tactics and sold about 150,000 bales out of their long. On 11th August the price for I.C.C. September dropped from Rs. 433 to Rs. 410 within an hour's time and later during the week-end under pressure of continued selling, the contract touched a low of Rs. 388. This marked the dissolution of the syndicate whose remaining members in an attempt to save their September long made considerable further purchases at the reduced level. But eventually they also came out as sellers after Japan had finally surrendered and bullion had slumped further. Their heavy liquidations coupled with selling by other distressed longs killed whatever confidence was left in the market. On 29th August I.C.C. September reached Rs. 350 the lowest rate allowed for official trading.

On 15th August trading commenced in 1945/46 futures contracts with I.C.C. January opening at Rs. 419. New crop ruled fairly steady right up to the end of the month and the January contract closed on 29th August, the last trading day of the month, at Rs. 411.

The following table gives details of arrivals into Bombay by Sea and Rail (arrivals by Road are not included) during the season with the total of the five previous years. (Actual weight converted into Bales of 3½ cwts. in each, after allowing 2 per cent. for tare in the case of receipts by rail.) Season ending 31st August in each case :—

Varieties.	1944-45.	1943-44.	1942-43.	1941-42.	1940-41.	1939-40.
	Bales.	Bales.	Bales.	Bales.	Bales.	Bales.
Khandeish	50,147	61,592	117,165	88,592	100,995	55,644
Central India	33,656	59,783	55,637	31,284	149,983	109,361
Barsi Nugger	77,743	50,934	42,142	55,617	125,098	114,118
Hyderabad Gaorani	27,925	15,259	21,369	19,245	50,854	48,009
Berar	235,529	257,393	207,968	179,814	386,742	318,618
Central Provinces	55,008	51,048	34,409	87,565	78,308	76,962
Dhollera	124,056	70,051	36,897	34,832	102,458	89,297
North-west Provinces	742	811	1,377	1,425	2,049	26,079
Rajputana	3,946	1,082	44	470	6,778	35,228
Sind Punjab	558,471	410,414	779,428	448,957	578,393	387,570
Broach	161,742	334,624	126,986	321,774	299,943	409,044
Compta-Dharwars	84,193	41,322	89,597	54,332	155,178	53,357
Westerns/Northerns	82,526	11,238	23,082	48,003	113,567	38,178
Cocanada	....	....	....	....	239	86
Tinnevelly and Cambodia	13,674	1,208	15,587	21,873	16,998	1,412
Soudan	90,470	82,466	37,405	144,401	175,296	71,839
Americans	13,339	....	....	....	2,160	105,532
Egyptians (other than Soudan) ..	284,702	238,439	330,716	117,329	195,525	108,273
Africans, East	149,107	188,118	134,578	296,871	295,292	196,543
Comilla, Burmah and other Sorts ..	¶ 4,109	** 2,712	* 1,084	† 11,426	‡ 1,087	§ 2,807
Total ..	2,051,085	1,878,494	2,055,471	1,963,810	2,836,943	2,247,957

** Including 211 bales from Shalimar and 2,437 bales from Afghanistan.
* Including 507 bales from Shalimar.
† Including 51 bales from Iran, 825 bales from Iraq and 698 bales from Shalimar.
‡ Consisting of 311 bales of Burmah and 776 bales of Shalimar cotton.
§ Consisting of 357 bales of Calcutta and Shalimar cotton, 2,420 bales of Iraq and 30 bales of Aden cotton.
¶ Afghan cotton.

The following table gives the Actual Clearances of Cotton by Sea from Bombay, to different Countries during the years ending 31st August from 1938-39 to 1944-45 :—

To	1944-45	1943-44	1942-43	1941-42	1940-41	1939-40	1938-39
	Bales.	Bales.	Bales.	Bales.	Bales.	Bales.	Bales.
United Kingdom	27,598	42,143	51,938	213,100	97,325	125,728	80,515
France	12,000	..	..	..	..	125,751	78,053
Belgium	9,750	..	..	..	..	10,928	72,791
Italy	..	..	..	..	..	9,755	23,545
Holland	..	..	..	..	..	5,275	5,269
Greece	..	..	..	..	..	1,650	2,106
Yugoslavia	..	..	..	..	..	1,540	68
Germany	..	..	..	..	..	..	44,083
Poland	..	..	..	..	..	..	3,264
Spain	..	..	..	..	..	..	4,800
Czecho-slovakia	..	..	..	..	..	..	5,732
Bulgaria	..	..	..	..	..	..	520
Switzerland	..	..	..	..	..	1,675	..
Portugal	..	110	..	..	165	1,164	422
Hungary	..	..	..	..	..	605	660
Denmark	..	..	..	..	..	..	660
United States of America	3,619	11,597	..	47,397	7,518	1,591	436
Canada	601	100	..	..	..	..	..
China (Including Indo-China)	..	..	..	3,034	236,103	334,145	457,246
Japan	..	..	..	23,901	611,507	573,488	912,005
Korea	..	..	..	5,332	59,052	29,531	31,843
Australia	1,820	7,032	2,234	14,481	15,718	2,428	990
Java	..	..	..	600	..	..	..
Iraq	..	..	4,657	..	178	..	136
Iran	..	2,285	1,400	..	..	..	..
Ceylon	1,524	2,427	2,481	2,084	3,234	4,443	2,598
Other Foreign Countries	721	230	877	303	45	1,183	786
Indian Ports	110,257	123,799	95,353	57,692	16,899	51,905	32,351
Total ..	167,890	189,723	158,940	367,924	1,047,744	1,282,785	1,760,879

Comparative Statement showing the Actual Clearance of Cotton from Bombay by Sea to different Countries during the Calendar Years 1939 *to* 1945.

	1945	1944	1943	1942	1941	1940	1939
	Bales.	Bales.	Bales.	Bales.	Bales.	Bales.	Bales.
United Kingdom	41,239	46,550	52,838	174,776	102,085	135,867	91,369
France	21,500	..	..	..	..	109,332	79,251
Belgium	14,325	..	..	..	..	8,080	59,353
Germany	..	..	..	..	..	..	27,001
Holland	..	..	..	..	..	3,450	5,498
Denmark	..	..	..	..	..	..	660
Poland	..	..	..	..	..	..	2,355
Spain	13,600	..	..	..	..	..	4,800
Portugal	..	110	..	..	165	415	1,081
Hungary	..	..	..	..	..	275	605
Italy	..	..	..	..	..	4,849	21,265
Switzerland	990	..	..	..	..	575	1,100
Czechoslovakia	..	..	..	..	..	..	4,400
Yugoslavia	..	..	..	..	..	1,375	233
Bulgaria	..	..	..	..	..	..	330
Greece	..	..	..	..	..	1,500	978
United States of America	8,789	1,786	9,997	31,527	23,238	1,741	436
Australia	1,461	2,065	8,196	13,906	11,618	6,653	1,835
Japan	..	..	..	..	364,103	606,374	772,417
China	..	..	..	..	146,126	386,227	475,625
Korea	..	..	..	..	34,208	47,191	39,136
Ceylon	1,006	2,605	2,821	1,884	2,958	3,058	3,809
Iraq	..	..	4,557	100	163	15	36
Java	..	..	..	600	..	..	..
Iran	..	2,285	1,400	..	..	..	..
Canada	415	200	..	..	..	..	..
Other Foreign Countries	1,721	110	741	559	154	1,180	233
Indian Ports	112,600	137,165	124,786	56,964	19,565	50,427	26,053
Total	217,646	192,876	205,336	280,316	704,383	1,368,584	1,619,859

COTTON.

RECEIPTS at, and Exports from, Bombay Port, also Mill Consumption in the Island of Bombay, since 1864.

In thousands of Bales (000's omitted).

Year ending 30th June.	Receipts.	Exports to			Mill Consumption.	Total.	Year ending 30th June.	Receipts.	Exports to			Mill Consumption.	Total.
		Europe.	Elsewhere.	Total.					Europe.	Elsewhere.	Total.		
1864 ..	..	867	3	870	American War. In 1863 and 1864 Bombay imported Cotton from China.		1888 ..	1,472	893	58	951	500	1,451
							1889 ..	1,851	1,286	46	1,332	565	1,897
							1890 ..	2,235	1,488	71	1,559	636	2,195
							1891 ..	2,020	1,070	107	1,177	762	1,939
1865 ..	..	1,065	1	1,066			1892 ..	1,770	905	202	1,107	728	1,835
1866 ..	..	1,187	14	1,201	42	1,243	1893 ..	1,738	816	169	985	724	1,709
1867 ..	..	1,277	5	1,282	46	1,328	1894 ..	1,769	908	159	1,067	731	1,798
1868 ..	..	1,030	48	1,078	47	1,125	1895 ..	1,540	525	143	668	815	1,483
1869 ..	..	1,225	56	1,281	48	1,329	1896 ..	2,151	800	346	1,146	849	1,995
1870 ..	..	1,115	50	1,165	49	1,214	1897 ..	1,612	603	405	1,008	703	1,711
1871 ..	..	967	39	1,006	50	1,056	1898 ..	1,730	424	409	833	817	1,650
1872 ..	1,085	1,002	48	1,050	52	1,102	1899 ..	2,033	578	520	1,098	951	2,049
1873 ..	1,151	1,079	34	1,113	53	1,166	1900 ..	988	117	444	561	745	1,306
1874 ..	978	917	34	951	67	1,018	1901 ..	1,896	620	340	960	696	1,656
1875 ..	1,311	1,192	25	1,217	83	1,300	1902 ..	2,142	525	732	1,257	987	2,244
1876 ..	1,345	1,285	20	1,305	135	1,440	1903 ..	2,454	921	349	1,270	986	2,256
1877 ..	1,073	980	35	1,015	147	1,162	1904 ..	2,151	1,036	423	1,459	973	2,432
1878 ..	1,141	920	38	958	161	1,119	1905 ..	2,609	384	664	1,048	1,072	2,120
1879 ..	961	800	46	846	204	1,050	1906 ..	2,663	1,017	477	1,494	1,141	2,635
1880 ..	832	652	64	716	181	897	1907 ..	2,949	1,169	747	1,916	1,116	3,032
1881 ..	1,171	874	34	908	220	1,128	1908 ..	2,123	731	454	1,185	1,079	2,264
1882 ..	1,832	1,521	87	1,608	277	1,885	1909 ..	2,166	643	723	1,366	1,099	2,465
1883 ..	1,770	1,335	95	1,430	313	1,743	1910 ..	3,152	1,054	968	2,022	984	3,006
1884 ..	1,759	1,295	100	1,395	348	1,743	1911 ..	2,467	1,014	668	1,682	953	2,635
1885 ..	1,139	791	70	861	392	1,253	1912 ..	2,540	383	923	1,306	1,078	2,384
1886 ..	1,480	1,009	61	1,070	391	1,461							
1887 ..	1,703	1,147	40	1,187	454	1,641							

COTTON.

RECEIPTS at, and Exports from, Bombay Port, also Mill Consumption in the Island of Bombay, since 1864.

In thousands of Bales (000's omitted)—*contd.*

Year ending 31st August.	Receipts.		Total Receipts.	Exports.			Total Exports.	Mill Consumption.	Total.
	Indian Ports.	Foreign Countries		Europe.	China and Japan.	Elsewhere.			
1913	2,733	46	2,779	534	1,023	30	1,587	*1,072	2,659
1914	3,733	6	3,739	1,301	1,245	24	2,570	1,078	3,648
1915	2,683	5	2,688	405	1,441	15	1,861	1,026	2,887
1916	3,133	6	3,139	294	1,691	8	1,993	1,096	3,089
1917	3,103	17	3,120	302	1,321	7	1,630	1,135	2,765
1918	2,279	27	2,306	293	1,213	7	1,513	1,068	2,581
1919	2,525	18	2,543	195	885	11	1,091	1,000	2,091
1920	3,405	22	3,427	629	1,579	24	2,232	957	3,189
1921	2,786	116	2,902	494	1,381	26	1,901	1,061	2,962
1922	3,383	109	3,492	645	1,896	52	2,593	1,074	3,667
1923	3,611	61	3,672	851	2,086	53	2,990	1,060	4,050
1924	3,227	93	3,320	1,104	1,558	53	2,715	821	3,536
1925	3,573	95	3,668	713	2,021	33	2,767	995	3,762
1926	3,208	127	3,335	552	1,874	26	2,452	778	3,230
1927	2,692	474	3,166	419	1,539	27	1,985	995	2,980
1928	3,235	189	3,424	798	1,391	34	2,223	569	2,792
1929	3,233	123	3,356	906	1,796	61	2,763	631	3,394
1930	3,317	163	3,480	946	1,647	63	2,656	877	3,533
1931	2,933	470	3,403	599	1,903	27	2,529	839	3,368
1932	1,557	538	2,095	154	762	38	954	921	1,875
1933	2,286	249	2,535	426	1,200	30	1,656	798	2,454
1934	2,293	223	2,516	396	1,136	23	1,555	613	2,168
1935	2,031	471	2,502	413	1,171	34	1,618	885	2,503
1936	2,877	293	3,170	516	1,464	34	2,014	836	2,850
1937	2,643	486	3,129	487	1,591	53	2,131	828	2,959
1938	1,825	728	2,553	354	803	64	1,221	1,037	2,258
1939	1,953	401	2,354	323	1,401	37	1,761	987	2,748
1940	1,763	485	2,248	284	937	62	1,283	813	2,096
1941	2,167	670	2,837	97	907	44	1,048	1,148	2,196
1942	1,394	570	1,964	213	32	123	368	1,310	1,678
1943	1,551	504	2,055	52	..	107	159	1,484	1,643
1944	1,369	509	1,878	42	..	148	190	1,452	1,642
1945	1,509	542	2,051	49	..	119	168	1,493	1,661

N.B.—As noted in the Chamber's Report for 1913, the figures shown above represent the volume of trade in cotton from 1st September to 31st August instead of for the year ending 30th June as was previously the case.

* Year ending 30th June.

RAINFALL AT BOMBAY, 1843 TO 1945.

The following statement showing the Rainfall recorded at the Colaba Observatory, Bombay, for each month during the years 1843-1945, is published for the information of members :—

Year.	January.	February.	March.	April.	May.	June.	July.	August.	September.	October.	November.	December.	Annual Total.
1843 ..	..	..	..	..	0.15	7.61	20.62	17.70	8.39	0.77	..	..	55.24
1844 ..	0.06	0.33	..	..	..	18.58	29.28	5.91	8.05	0.40	..	0.10	62.71
1845 ..	..	..	..	..	..	17.88	18.07	9.54	8.63	..	..	..	54.12
1846 ..	..	..	..	..	..	26.41	33.19	6.65	6.65	1.03	..	..	73.93
1847 ..	0.09	0.02	..	0.31	1.40	37.56	16.46	8.68	5.68	0.28	5.53	..	76.01
1848 ..	..	..	..	0.59	5.67	39.98	13.90	7.37	2.32	5.84	0.19	..	75.86
1849 ..	0.34	..	..	..	..	23.41	50.99	12.66	26.13	0.75	0.61	..	114.89
1850 ..	..	..	..	..	..	14.80	20.15	5.39	4.77	4.89	0.25	..	50.25
1851 ..	..	..	..	..	0.52	24.50	47.02	20.03	3.89	0.04	0.07	..	96.07
1852 ..	..	..	0.01	..	0.30	21.76	22.17	11.16	12.67	0.19	..	1.01	69.27
1853 ..	..	0.05	0.02	..	..	33.70	13.05	5.95	9.83	..	..	..	62.60
1854 ..	..	..	..	..	..	16.34	38.95	3.90	13.61	7.49	1.85	..	82.14
1855 ..	..	..	..	..	..	29.18	11.83	3.82	5.29	9.06	..	..	50.18
1856 ..	..	..	..	..	2.09	24.66	24.48	6.73	7.78	0.06	..	0.12	65.92
1857 ..	..	..	..	..	0.57	9.26	8.74	15.71	14.21	2.78	..	..	51.27
1858 ..	..	..	..	0.15	1.57	14.44	20.12	7.48	15.47	3.22	..	..	62.45
1859 ..	..	..	..	..	..	26.87	28.70	14.59	5.94	1.06	..	..	77.16
1860 ..	..	..	..	..	0.03	21.97	22.39	7.11	8.15	2.50	..	..	62.15
1861 ..	..	..	..	..	0.69	15.43	25.34	30.35	3.24	1.86	..	..	76.91
1862 ..	..	..	..	..	0.01	22.31	15.10	12.65	21.69	1.42	0.45	..	73.63
1863 ..	0.41	..	..	0.11	0.07	23.41	30.78	10.60	9.98	2.32	..	..	77.68
1864 ..	..	..	..	..	0.01	15.42	13.36	10.72	5.59	..	0.47	..	45.57
1865 ..	0.38	..	..	..	..	10.61	18.28	36.42	4.86	6.16	1.14	..	77.85
1866 ..	..	0.11	..	..	..	13.47	40.34	20.34	3.44	0.74	..	..	78.44
1867 ..	..	..	..	..	..	8.70	39.39	12.21	6.80	5.07	0.13	..	72.30
1868 ..	..	..	0.01	..	..	13.52	20.43	20.29	7.71	0.14	0.02	..	62.12
1869 ..	..	..	..	..	0.03	26.22	23.89	15.24	22.56	3.55	0.05	0.12	91.66
1870 ..	..	..	0.03	0.02	..	21.73	26.43	6.27	7.08	4.65	..	..	66.21
1871 ..	2.22	..	..	..	1.25	8.91	9.96	8.95	6.01	0.25	2.97	0.06	40.58
1872 ..	..	..	..	..	0.06	24.43	24.84	9.49	16.59	1.07	..	..	76.48
1873 ..	..	0.05	..	..	0.51	20.36	16.98	23.96	7.77	0.07	..	..	69.70
1874 ..	..	..	..	..	0.05	18.68	41.24	11.14	11.05	0.02	..	..	82.18
1875 ..	0.47	..	..	..	..	24.36	15.39	12.23	31.76	..	0.35	..	84.56
1876 ..	..	..	..	..	0.01	12.97	23.69	8.66	4.68	..	..	..	50.01
1877 ..	0.22	0.52	..	..	..	35.58	11.10	8.51	8.89	8.33	..	..	73.15
1878 ..	0.02	..	..	0.02	0.02	19.99	48.33	20.46	16.42	4.89	2.61	..	112.77
1879 ..	..	..	0.03	..	5.23	16.56	11.21	22.36	5.61	0.40	..	..	61.40
1880 ..	..	0.01	0.02	..	..	21.48	18.37	4.08	22.80	1.18	..	..	67.94
1881 ..	..	..	0.04	..	0.36	15.29	29.47	19.06	4.56	4.17	0.09	..	73.04
1882 ..	..	0.04	0.02	0.08	0.02	27.54	26.94	3.36	10.08	1.12	0.03	..	69.23
1883 ..	0.12	..	..	..	0.33	13.65	39.88	12.57	12.37	10.40	0.86	..	90.18
1884 ..	0.03	..	..	..	..	13.25	25.87	15.29	17.04	2.22	0.60	1.14	75.44
1885 ..	..	..	..	..	0.02	5.11	21.81	25.42	12.01	3.54	..	..	67.91
1886 ..	..	..	..	0.01	0.96	43.45	35.79	10.69	6.54	1.69	0.61	..	99.74
1887 ..	..	..	..	0.02	0.09	24.07	30.98	17.59	18.23	2.79	1.02	0.16	94.95
1888 ..	1.85	0.02	0.10	..	..	15.76	22.47	11.43	4.92	0.11	1.16	..	57.82
1889 ..	..	..	..	..	0.67	19.89	30.45	10.32	2.71	3.80	..	..	67.84
1890 ..	..	..	..	0.01	0.06	24.55	21.54	10.61	6.45	0.58	1.25	1.13	66.18
1891 ..	..	..	0.22	..	..	13.99	32.48	6.94	22.53	1.04	..	..	77.20
1892 ..	..	..	..	..	0.11	13.30	23.86	36.56	18.73	1.89	0.67	..	95.12
1893 ..	..	0.14	..	0.02	6.30	21.47	16.14	13.55	7.54	0.45	1.63	..	67.24
1894 ..	0.22	..	0.06	0.01	..	16.87	26.16	8.40	12.04	3.08	..	0.01	66.85
1895 ..	..	0.07	..	..	0.08	17.84	18.04	15.97	11.91	3.62	0.06	..	67.59
1896 ..	..	..	..	..	0.26	28.02	36.44	20.77	1.62	0.01	0.53	..	87.65
1897 ..	0.01	..	..	..	..	14.40	30.19	13.82	20.60	2.51	0.22	..	81.75
1898 ..	..	0.17	..	..	0.16	27.21	20.72	5.28	19.94	0.48	0.13	..	74.09
1899 ..	..	..	..	1.57	0.08	20.81	4.72	5.23	3.49	..	..	..	35.90
1900 ..	..	..	..	..	..	18.26	25.75	17.62	7.49	..	..	..	69.12
1901 ..	0.74	..	..	0.04	0.01	25.36	32.70	14.27	1.81	0.39	..	..	75.32

Year.	January.	February.	March.	April.	May.	June.	July.	August.	September.	October.	November.	December.	Annual Total.
1902 ..	..	..	..	..	..	9.27	16.96	16.53	27.11	0.78	0.01	0.81	71.97
1903 ..	..	..	0.17	..	7.79	19.75	24.82	18.23	7.82	5.91	..	..	84.49
1904 ..	..	..	0.07	..	0.02	15.10	10.14	5.72	1.81	0.56	..	..	33.42
1905 ..	..	0.08	..	..	..	6.53	15.30	4.35	6.16	0.20	1.04	..	33.56
1906 ..	..	0.15	..	..	..	12.91	18.34	20.92	3.98	..	..	..	56.30
1907 ..	..	0.27	..	0.06	..	22.48	59.05	15.99	2.26	0.67	..	..	100.73
1908 ..	0.09	0.07	0.06	..	..	12.39	23.65	9.87	6.79	0.62	..	..	53.54
1909 ..	..	..	..	..	..	16.60	30.05	8.52	16.05	..	..	..	71.22
1910 ..	..	..	..	..	0.03	23.50	6.50	18.15	15.25	4.29	0.14	..	67.86
1911 ..	0.06	..	..	..	0.04	10.85	15.24	17.09	2.96	..	0.27	..	46.51
1912 ..	..	..	..	..	0.43	10.79	25.40	9.90	3.26	0.65	3.62	..	54.05
1913 ..	..	0.02	..	..	..	25.81	33.33	3.72	5.75	2.35	..	..	71.03
1914 ..	..	0.08	..	0.07	..	16.65	30.13	13.27	21.06	0.01	0.18	..	81.45
1915 ..	..	0.30	0.69	0.06	0.36	39.78	14.62	8.45	10.78	2.55	0.02	..	77.61
1916 ..	..	..	..	0.04	0.07	23.43	22.78	19.51	14.59	4.79	0.72	..	85.93
1917 ..	..	1.68	..	..	0.88	14.96	13.26	32.18	16.92	19.96	..	..	99.84
1918 ..	..	..	1.46	..	11.00	10.82	4.25	4.81	3.11	..	0.09	..	35.54
1919 ..	0.14	..	..	..	..	16.31	31.30	10.85	8.08	1.54	0.18	..	68.32
1920 ..	0.99	0.33	..	..	..	8.16	22.00	5.18	4.05	0.34	..	..	41.05
1921 ..	..	..	..	..	..	26.74	35.68	10.36	13.02	0.22	..	..	86.02
1922 ..	..	..	..	..	..	26.48	34.15	5.08	6.95	0.61	..	0.14	70.41
1923 ..	..	0.05	..	0.02	..	7.19	43.26	8.72	18.32	..	..	..	77.56
1924 ..	..	..	..	..	..	7.46	16.73	15.43	12.13	0.06	0.38	..	52.19
1925 ..	..	..	..	..	2.76	27.86	8.38	7.71	3.52	0.22	0.37	..	50.82
1926 ..	2.99	..	..	..	0.10	6.19	30.88	22.21	8.98	1.29	..	..	72.64
1927 ..	..	0.04	0.03	..	..	32.52	16.85	6.74	5.33	7.30	5.48	0.09	74.38
1928 ..	..	0.01	..	..	..	27.71	30.93	16.65	9.91	0.43	0.09	..	85.72
1929 ..	0.63	..	0.02	0.04	..	25.45	16.08	6.06	5.58	4.82	0.22	0.80	59.70
1930 ..	..	..	..	..	0.02	26.71	10.26	6.64	43.85	2.50	..	..	89.98
1931 ..	..	..	..	0.01	..	6.08	47.50	23.71	4.48	13.07	2.40	0.69	97.94
1932 ..	..	..	..	..	..	10.62	35.30	6.96	11.13	9.01	0.01	..	73.03
1933 ..	..	..	..	..	2.85	10.29	14.13	18.81	12.31	3.04	0.01	0.93	62.37
1934 ..	..	..	..	..	..	28.51	24.40	14.00	5.90	0.20	3.80	..	73.81
1935 ..	..	..	..	..	..	27.69	24.10	16.69	11.90	1.04	0.18	..	81.60
1936 ..	..	..	..	..	0.33	32.63	8.09	9.27	5.72	0.01	2.31	..	58.36
1937 ..	..	0.50	..	0.10	..	18.32	30.40	5.40	14.20	1.70	..	..	70.62
1938 ..	..	..	..	..	1.29	31.30	16.00	16.77	10.35	15.17	1.13	..	92.01
1939 ..	..	..	..	..	..	4.67	33.07	10.88	5.39	0.17	..	..	54.18
1940 ..	..	..	..	..	..	29.98	21.03	28.27	11.26	4.89	0.76	..	96.19
1941 ..	..	..	..	..	..	12.20	9.96	5.93	6.03	1.62	..	..	35.74
1942 ..	..	..	..	..	..	27.39	32.36	8.23	13.45	..	..	0.29	81.72
1943 ..	0.28	..	..	..	6.02	30.19	29.62	3.28	8.15	3.77	0.04	..	81.35
1944 ..	..	..	0.07	..	0.20	9.47	45.56	16.32	1.68	0.80	..	..	74.10
1945 ..	0.82	..	..	..	..	24.36	31.87	26.10	6.16	0.70	0.37	..	90.38

ROYAL ASIATIC SOCIETY LIBRARY OF THE BOMBAY BRANCH OF THE

Current Quotations as estimated by the Committee of the Bombay Chamber of Commerce during the year 1945.

QUOTATIONS.	Week ending 5th January 1945.	Week ending 12th January 1945.	Week ending 19th January 1945.	Week ending 26th January 1945.	Week ending 2nd February 1945.	Week ending 9th February 1945.	Week ending 16th February 1945.	Week ending 23rd February 1945.	Week ending 2nd March 1945.	Week ending 9th March 1945.	Week ending 16th March 1945.	Week ending 23rd March 1945.	Week ending 29th March 1945.	Week ending 6th April 1945.	Week ending 13th April 1945.	Week ending 20th April 1945.	Week ending 27th April 1945.	Week ending 4th May 1945.	Week ending 11th May 1945.	Week ending 18th May 1945.	Week ending 25th May 1945.	Week ending 1st June 1945.	Week ending 8th June 1945.
EXCHANGE.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.
On England Bank Bills. Telegraphic Transfor	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.
On England Bank Bills. Sight	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.
First Class Credits 3 months' Sight	1s. 6 1/4d.	1s. 6 1/4d.	1s. 6 1/4d.	1s. 6 1/4d.	1s. 6 1/4d.	1s. 6 1/4d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.
First Class Credits 4 " "	1s. 6 5/16d.	1s. 6 5/16d.	1s. 6 5/16d.	1s. 6 5/16d.	1s. 6 5/16d.	1s. 6 5/16d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.
On Calcutta Bank Telegraphic Transfor	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/32	100 1/32
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
English Bar Gold (100 touch per tola)	75 7 0	74 12 0	73 9 0	69 13 6	67 15 0	71 12 0	73 11 0	73 6 0	74 11 0	73 14 0	68 6 0	72 8 0	72 0 0	72 13 0	74 0 0	74 10 6	75 10 0	73 8 0	72 2 0	76 12 0	75 4 0	74 13 0	76 7 0
Sovereigns	51 2 0	51 6 0	51 0 0	48 8 0	47 6 0	49 4 0	49 10 0	49 8 0	51 2 0	50 4 0	47 10 0	49 12 0	49 12 0	50 0 0	50 12 0	51 3 0	51 6 0	50 0 0	48 8 0	51 4 0	51 7 0	51 6 0	52 3 0
Bar Silver Ready	130 0 0	130 8 0	129 14 0	129 2 0	121 2 0	124 7 0	126 5 0	127 2 0	127 11 0	128 10 0	124 12 0	129 2 0	126 0 0	132 4 0	131 7 0	121 2 0	133 8 0	126 8 0	124 7 0	130 0 0	131 2 0	132 1 0	133 10 0
Bar Silver Forward	129 15 0	130 6 0	129 11 0	128 8 0	120 14 0	124 4 0	126 0 0	126 8 0	127 9 0	128 5 0	124 9 0	128 4 0	125 12 0	128 13 0	130 15 0	129 0 0	131 15 0	125 6 0	122 7 0	129 6 0	130 12 0	131 12 0	133 1 0
RATES OF DISCOUNT.																							
Bank Rate of Discount on Private Bills, 60 days' Sight	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.
Bank Rate of Interest on Demand Loans on Government Securities	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "
Rate of Interest in the Open Market on Government Paper	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "	3 "
Money Market	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.
Government Promissory Notes enfaced from Bombay to London at Bombay	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Rs. 8,000	Nil.	Nil.	Nil.	Rs. 45,000	Nil.	Rs. 200	Nil.	Rs. 31,500	Rs. 24,000	Nil.	Nil.	Nil.	Rs. 27,900
GOVERNMENT SECURITIES.																							
Three and half per cent.	Rs. a. p. 99 14 0	Rs. a. p. 99 13 0	Rs. a. p. 99 13 0	Rs. a. p. 99 11 0	Rs. a. p. 99 6 0	Rs. a. p. 99 6 0	Rs. a. p. 99 8 0	Rs. a. p. 99 11 0	Rs. a. p. 99 10 0	Rs. a. p. 99 10 0	Rs. a. p. 99 11 0	Rs. a. p. 99 9 0	Rs. a. p. 99 9 0	Rs. a. p. 99 11 0	Rs. a. p. 99 14 0	Rs. a. p. 100 2 0	Rs. a. p. 100 0 0	Rs. a. p. 100 0 0	Rs. a. p. 100 0 0	Rs. a. p. 100 1 0	Rs. a. p. 100 3 0	Rs. a. p. 100 7 0	Rs. a. p. 101 0 0
Four per cent. 1960/70	113 1 0	113 0 0	112 14 0	112 12 0	112 10 0	112 10 0	112 10 0	112 10 0	112 12 0	112 15 0	113 0 0	113 0 0	112 12 0	112 12 0	112 12 0	112 12 0	112 12 0	112 12 0	112 12 0	112 12 0	112 12 0	112 12 0	112 14 0
Five per cent., tax free, 1945/55	103 1 0	103 0 0	102 15 0	102 14 0	102 13 0	102 12 0	102 11 0	102 11 0	102 10 0	102 8 0	102 8 0	102 8 0	102 6 0	102 2 0	102 5 0	102 2 0	102 0 0	101 14 0	101 14 0	101 13 0	101 12 0	101 10 0	101 8 0
IMPORTS.																							
Copper Braziers (in Bundles) (per cwt.)	Rs. a. p. 320 0 0	Rs. a. p. 300 0 0	Rs. a. p. 370 0 0	Rs. a. p. 320 0 0	Rs. a. p. 290 0 0	Rs. a. p. 290 0 0	Rs. a. p. 300 0 0	Rs. a. p. 300 0 0	Rs. a. p. 300 0 0	Rs. a. p. 290 0 0	Rs. a. p. 310 0 0	Rs. a. p. 280 0 0	Rs. a. p. 330 0 0	Rs. a. p. 320 0 0	Rs. a. p. 320 0 0	Rs. a. p. 320 0 0	Rs. a. p. 320 0 0	Rs. a. p. 320 0 0	Rs. a. p. 320 0 0	Rs. a. p. 330 0 0	Rs. a. p. 320 0 0	Rs. a. p. 330 0 0	Rs. a. p. 300 0 0
Yellow Metal (") (")	300 0 0	300 0 0	310 0 0	300 0 0	255 0 0	255 0 0	290 0 0	280 0 0	280 0 0	270 0 0	270 0 0	250 0 0	300 0 0	290 0 0	300 0 0	290 0 0	300 0 0	300 0 0	300 0 0	300 0 0	280 0 0	280 0 0	250 0 0
Sugar, Indian (per cwt. ex. Godown)	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0
COAL.																							
Indian Coal, F.O.R.—																							
Bengal Coal—	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Deshargarh (Selected Grade) (per ton)	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0
Jheria (Selected Grade) (")	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0
Jheria (Grade I) (")	11 2 0	11 2 0	11 2 0	11 2 0	11 2 0	11 2 0	11 2 0	11 2 0	11 2 0	11 2 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0
Central Provinces (1st class) (")	13 12 0	13 12 0	13 12 0	13 12 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0
EXPORTS.																							
Cotton.— (Fully pressed, per Candy of 784 lbs.)																							
Indian Cotton Contract	Rs. a. p. 444 0 0 March 45.	Rs. a. p. 453 0 0 March 45.	Rs. a. p. 451 0 0 March 45.	Market Closed	Rs. a. p. 443 0 0 March 45.	Rs. a. p. 442 0 0 March 45.	Rs. a. p. 441 0 0 March 45.	Rs. a. p. 441 0 0 March 45.	Rs. a. p. 450 0 0 March 45.	Rs. a. p. 434 0 0 March 45.	Rs. a. p. 445 0 0 March 45.	Rs. a. p. 467 0 0 March 45.	Rs. a. p. 446 0 0 May 45.	Rs. a. p. 439 0 0 May 45.	Rs. a. p. 417 0 0 May 45.	Market Closed	Rs. a. p. 397 0 0 May 45.	Rs. a. p. 414 0 0 May 45.	Rs. a. p. 408 0 0 May 45.	Rs. a. p. 403 0 0 May 45.	Rs. a. p. 412 0 0 July 45.	Rs. a. p. 410 0 0 July 45.	Rs. a. p. 414 0 0 July 45.
" " "	453 0 0 May 45.	464 0 0 May 45.	462 0 0 May 45.		453 0 0 May 45.	458 0 0 May 45.	452 0 0 May 45.	460 0 0 May 45.	456 0 0 May 45.	443 0 0 May 45.	452 0 0 May 45.	457 0 0 May 45.	461 0 0 July 45.	454 0 0 July 45.	434 0 0 July 45.		414 0 0 July 45.	426 0 0 July 45.	418 0 0 July 45.	416 0 0 July 45.	425 0 0 Sept. 45	423 0 0 Sept. 45.	428 0 0 Sept. 45
" " "	....	....	471 0 0 July 45.		464 0 0 July 45.	465 0 0 July 45.	462 0 0 July 45.	462 0 0 July 45.	467 0 0 July 45.	455 0 0 July 45.	465 0 0 July 45.	470 0 0 July 45.	469 0 0 Sept. 45.	463 0 0 Sept. 45.	445 0 0 Sept. 45.		426 0 0 Sept. 45.	440 0 0 Sept. 45.	432 0 0 Sept. 45.	430 0 0 Sept 45.	....	....	....
" " "	....	....	....		....	....	....	....	....	....	....	479 0 0 Sept. 45.	....	....	....		....	....	....	....	....	....	....
" " "	....	....	....		....	....	....	....	....	....	....	....	....	....	....		....	....	....	....	....	....	....
SEEDS AND WHEAT.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.
Gingelly seed, White Bold, 95 per cent. (per cwt.)	Rs. a. p. 25 0 0	Rs. a. p. 25 0 0	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p. 29 0 0	Rs. a. p. 29 0 0
" " Mixed 50 " (")	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
Linseed, Bold (")	15 1 0	15 0 0	15 14 0	15 12 0	15 12 0	15 0 0	15 8 0	15 8 0	15 8 0	15 8 0	15 9 0	15 10 0	15 12 0	15 11 0	16 2 0	16 1 0	16 4 0	16 5 0	16 3 0	16 12 0	16 11 0	16 11 0	17 0 0

Current Quotations as estimated by the Committee of the Bombay Chamber of Commerce during the year 1945.

ATIONS.	Week ending 5th January 1945.	Week ending 12th January 1945.	Week ending 19th January 1945.	Week ending 26th January 1945.	Week ending 2nd February 1945.	Week ending 9th February 1945.	Week ending 16th February 1945.	Week ending 23rd February 1945.	Week ending 2nd March 1945.	Week ending 9th March 1945.	Week ending 16th March 1945.	Week ending 23rd March 1945.	Week ending 29th March 1945.	Week ending 6th April 1945.	Week ending 13th April 1945.	Week ending 20th April 1945.	Week ending 27th April 1945.	Week ending 4th May 1945.	Week ending 11th May 1945.	Week ending 18th May 1945.	Week ending 25th May 1945.	Week ending 1st June 1945.	Week ending 8th June 1945.	Week ending 15th June 1945.	Week ending 22nd June 1945.	Week ending 29th June 1945.
ANGE.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.
phic Transfer	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.
Sight	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.
Sight	1s. 6 1/4d.	1s. 6 1/4d.	1s. 6 1/4d.	1s. 6 1/4d.	1s. 6 1/4d.	1s. 6 1/4d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.
„	1s. 6 5/16d.	1s. 6 5/16d.	1s. 6 5/16d.	1s. 6 5/16d.	1s. 6 5/16d.	1s. 6 5/16d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.
sfer	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/32	100 1/32	100 1/16	100 1/16	100 1/16
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
a)	75 7 0	74 12 0	73 9 0	69 13 6	67 15 0	71 12 0	73 11 0	73 6 0	74 11 0	73 14 0	68 6 0	72 8 0	72 0 0	72 13 0	74 0 0	74 10 6	75 10 0	73 8 0	72 2 0	76 12 0	75 4 0	74 13 0	76 7 0	78 5 0	79 4 0	76 6 0
	51 2 0	51 6 0	51 0 0	48 8 0	47 6 0	49 [illegible] 0	49 10 0	49 8 0	51 2 0	50 4 0	47 10 0	49 12 0	49 12 0	50 0 0	50 12 0	51 3 9	51 6 0	50 0 0	48 8 0	51 4 0	51 7 0	51 6 0	52 3 0	53 4 0	53 8 0	51 10 0
	150 0 0	130 8 0	129 14 0	129 2 0	121 2 0	124 [illegible] 0	126 5 0	127 2 0	127 11 0	128 10 0	124 12 0	129 2 0	126 0 0	132 1 0	131 7 0	131 2 0	133 6 0	126 8 0	124 7 0	130 0 0	131 2 0	132 1 0	133 10 0	135 14 0	137 4 0	129 5 0
	129 15 0	130 6 0	129 11 0	128 8 0	120 14 0	124 4 0	126 0 0	126 8 0	127 9 0	128 5 0	124 9 0	128 4 0	125 12 0	128 13 0	130 15 0	129 0 0	131 15 0	125 6 0	122 7 0	129 6 0	130 12 0	131 12 0	133 1 0	135 12 0	136 4 0	129 4 0
DISCOUNT.																										
ills, 60 days' Sight	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.
oans on Government Securities	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „
on Government Paper	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3
	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.
ised from Bombay to London at	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Rs. 8,000	Nil.	Nil.	Nil.	Rs. 45,000	Nil.	Rs. 200	Nil.	Rs. 31,500	Rs. 24,000	Nil.	Nil.	Nil.	Rs. 27,900	Nil.	Nil.	Nil.
SECURITIES.																										
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
	99 14 0	99 13 0	99 13 0	99 11 0	99 6 0	99 [illegible] 0	99 8 0	99 11 0	99 10 0	99 10 0	99 11 0	99 9 0	99 9 0	99 11 0	99 14 0	100 2 0	100 0 0	100 0 0	100 0 0	100 1 0	100 3 0	100 7 0	101 0 0	101 8 0	101 7 0	101 8 0
	113 1 0	113 0 0	112 14 0	112 12 0	112 10 0	112 [illegible] 0	112 10 0	112 10 0	112 12 0	112 15 0	113 0 0	113 0 0	112 12 0	112 12 0	112 12 0	112 12 0	112 12 0	112 12 0	112 12 0	112 12 0	112 12 0	112 12 0	112 14 0	113 0 0	113 0 0	113 0 0
	103 4 0	103 0 0	102 15 0	102 14 0	102 13 0	102 [illegible] 0	102 11 0	102 11 0	102 10 0	102 8 0	102 8 0	102 8 0	102 6 0	102 2 0	102 5 0	102 2 0	102 0 0	101 14 0	101 14 0	101 13 0	101 12 0	101 10 0	101 8 0	101 8 0	101 6 0	101 8 0
NTS.																										
(per cwt.)	Rs. a. p. 320 0 0	Rs. a. p. 360 0 0	Rs. a. p. 370 0 0	Rs. a. p. 330 0 0	Rs. a. p. 290 0 0	Rs. a. p. 290 0 0	Rs. a. p. 300 0 0	Rs. a. p. 300 0 0	Rs. a. p. 300 0 0	Rs. a. p. 290 0 0	Rs. a. p. 310 0 0	Rs. a. p. 280 0 0	Rs. a. p. 330 0 0	Rs. a. p. 320 0 0	Rs. a. p. 330 0 0	Rs. a. p. 330 0 0	Rs. a. p. 320 0 0	Rs. a. p. 320 0 0	Rs. a. p. 320 0 0	Rs. a. p. 330 0 0	Rs. a. p. 320 0 0	Rs. a. p. 330 0 0	Rs. a. p. 300 0 0	Rs. a. p. 325 0 0	Rs. a. p. 320 0 0	Rs. a. p. 320 0 0
(„)	300 0 0	300 0 0	310 0 0	300 0 0	255 0 0	255 0 0	290 0 0	280 0 0	280 0 0	270 0 0	270 0 0	250 0 0	300 0 0	290 0 0	300 0 0	290 0 0	300 0 0	300 0 0	300 0 0	300 0 0	280 0 0	280 0 0	250 0 0	290 0 0	300 0 0	300 0 0
(per cwt. ex. Godown)	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	26 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0
L.																										
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
(per ton)	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0
(„)	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 0 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0
(„)	11 2 0	11 2 0	11 2 0	11 2 0	11 2 0	11 2 0	11 2 0	11 2 0	11 2 0	11 2 0	11 2 0	11 7 0	12 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0
(„)	13 12 0	13 12 0	13 12 0	13 12 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0
ORTS.																										
lbs.)																										
	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
	446 0 0 March 45.	453 0 0 March 45.	451 0 0 March 45.		443 0 0 March 45.	442 0 0 March 45.	441 0 0 March 45.	441 0 0 March 45.	450 0 0 March 45.	434 0 0 March 45.	445 0 0 March 45.	457 0 0 March 45.	446 0 0 May 45.	430 0 0 May 45.	417 0 0 May 45.		397 0 0 May 45.	414 0 0 May 45.	408 0 0 May 45.	403 0 0 May 45.	412 0 0 July 45.	410 0 0 July 45.	414 0 0 July 45.	416 0 0 July 45.	419 0 0 July 45.	422 0 0 July 45.
	450 0 0 May 45.	464 0 0 May 45.	461 0 0 May 45.	Market Closed	453 0 0 May 45.	456 0 0 May 45.	453 0 0 May 45.	450 0 0 May 45.	456 0 0 May 45.	443 0 0 May 45.	452 0 0 May 45.	470 0 0 July 45.	461 0 0 July 45.	454 0 0 July 45.	434 0 0 July 45.	Market Closed	414 0 0 July 45.	426 0 0 July 45.	418 0 0 July 45.	416 0 0 July 45.	425 0 0 Sept. 45	423 0 0 Sept. 45	428 0 0 Sept. 45.	431 0 0 Sept. 45	431 0 0 Sept. 45.	433 0 0 Sept. 45.
	....	....	471 0 0 July 45.		464 0 0 July 45.	465 0 0 July 45.	467 0 0 July 45.	462 0 0 July 45.	467 0 0 July 45.	455 0 0 July 45.	....	479 0 0 Sept. 45.	....	463 0 0 Sept. 45.	445 0 0 Sept. 45.		426 0 0 Sept. 45.	440 0 0 Sept. 45.	432 0 0 Sept. 45.	430 0 0 Sept. 45.	....	....	....	....	....	....
	....	....	....		....	....	....	....	....	....	....	....	....	....	....		....	....	....	....	....	....	....	....	....	....
	....	....	....		....	....	....	....	....	....	....	....	....	....	....		....	....	....	....	....	....	....	....	....	....
D WHEAT.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
nt. (per cwt.)	25 0 0	25 0 0	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	29 0 0	29 0 0	29 8 0	29 8 0	29 0 0
(„)	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
(„)	15 1 0	15 15 0	15 14 0	15 12 0	15 12 0	15 [illegible] 0	15 8 0	15 8 0	15 8 0	15 8 0	15 [illegible] 0	15 10 0	15 12 0	15 11 0	16 2 0	16 1 0	16 4 0	16 5 0	16 3 0	16 12 0	16 11 0	16 11 0	17 0 0	17 1 0	17 11 0	18 1 0

| | | |

.. („)	15	3	0		15	7	0		15	9	0		15	8	0		15	8	0		15	8	6		15	2	6		15	2	6		15	3	0	
.. („)	17	8	0	Nom.	17	8	0	Nom.	17	8	0	Nom.	17	8	0	Nom.	....				....				....				....				....			
.. („)	17	8	0	„	17	8	0	„	17	8	0	„	17	8	0	„	17	8	0	Nom.	17	8	0	Nom.	17	8	0	Nom.	17	8	0	Nom.	17	8	0	Nom.
.. („)	19	0	0	„	19	0	0	„	19	0	0	„	19	0	0	„	19	8	0	„	19	0	0	„	19	0	0	„	19	0	0	„	19	0	0	„
.. („)	14	4	0	„	14	9	0	„	14	7	0	„	14	12	0	„	14	10	0	„	14	8	0	„	14	8	0	„	14	12	0	„	14	8	0	„
.. („)	15	12	0	„	16	2	0	„	15	14	0	„	16	0	0	„	15	13	0	„	15	10	0	„	15	9	0	„	15	9	0	„	15	9	0	„
	S.	d.			S.	d.			S.	d.			S.	d.			S.	d.			S.	d.			S.	d.			S.	d.			S.	d.	
.. .. ..	89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.	
.. (per ton)	102	0			102	0			102	0			102	0			102	0			102	0			102	0			102	0			102	0		
.. .. ..	92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.	
.. (per ton)	98	0			98	0			98	0			98	0			98	0			98	0			98	0			98	0			98	0		

.. („)	15	4	0		15	6	0		15	6	0		15	13	0		15	13	0		16	2	0		16	3	0		15	15	0		16	8	0	
.. („)	....				....				....				....				....				....				....				....				....			
.. („)	17	8	0	Nom.	17	8	0	Nom.	17	8	0	Nom.	18	0	0	Nom.	18	0	0	Nom.	18	0	0	Nom.	18	0	0	Nom.	18	0	0	Nom.	18	0	0	Nom.
.. („)	19	0	0	„	19	0	0	„	19	0	0	„	20	0	0	„	20	0	0	„	20	0	0	„	20	0	0	„	20	0	0	„	20	0	0	„
.. („)	14	6	0	„	14	6	0	„	14	4	0	„	14	5	0	„	14	0	0	„	14	0	0	„	13	13	0	„	14	0	0	„	14	8	0	„
.. („)	15	6	0	„	15	10	0	„	15	12	0	„	15	13	0	„	15	12	0	„	15	5	0	„	15	9	0	„	15	8	6	„	15	6	0	„
	S.	d.			S.	d.			S.	d.			S.	d.			S.	d.			S.	d.			S.	d.			S.	d.			S.	d.	
.. .. ..	89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.	
.. (per ton)	102	0			102	0			102	0			102	0			102	0			102	0			102	0			102	0			102	0		
.. .. ..	92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.	
.. (per ton)	98	0			98	0			98	0			98	0			98	0			98	0			98	0			98	0			98	0		

.. („)	16	6	0		16	5	0		16	11	0		16	13	0		17	7	0		17	15	0													
.. („)	....				....				....				....				....				....															
.. („)	18	0	0	Nom.	18	0	0	Nom.	18	0	0	Nom.	18	0	0	Nom.	18	0	0	Nom.	18	0	0	Nom.												
.. („)	21	0	0	Nom.	21	0	0	Nom.	21	0	0	Nom.	23	0	0	„	23	0	0	„	23	0	0	„												
.. („)	20	0	0	„	20	0	0	„	20	0	0	„	20	0	0	„	20	0	0	„	20	0	0	„												
.. („)	14	0	0	„	13	13	0	„	14	0	0	„	14	8	0	„	14	6	0	„	14	8	0	„												
.. („)	15	6	0	„	15	5	0	„	15	9	0	„	15	8	6	„	15	6	0	„	15	6	0	„												
	S.	d.			S.	d.			S.	d.			S.	d.			S.	d.			S.	d.														
.. .. ..	89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.		89	0	Per 13 cwts.													
.. (per ton)	102	0			102	0			102	0			102	0			102	0			102	0														
.. .. ..	92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.		92	0	Per 16 cwts.													
.. (per ton)	98	0			98	0			98	0			98	0			98	0			98	0														

LIBRARY OF THE ROYAL SOCIETY

Current Quotations as estimated by the Committee of the Bombay Chamber of Commerce during the year 1945—continued.

QUOTATIONS.	Week ending 6th July 1945.	Week ending 13th July 1945.	Week ending 20th July 1945.	Week ending 27th July 1945.	Week ending 3rd Aug. 1945.	Week ending 10th Aug. 1945.	Week ending 17th Aug. 1945.	Week ending 24th Aug. 1945.	Week ending 30th Aug. 1945.	Week ending 7th Sept. 1945.	Week ending 14th Sept. 1945.	Week ending 21st Sept. 1945.	Week ending 28th Sept. 1945.	Week ending 5th Oct. 1945.	Week ending 12th Oct. 1945.	Week ending 19th Oct. 1945.	Week ending 26th Oct. 1945.	Week ending 2nd Nov. 1945.	Week ending 9th Nov. 1945.	Week ending 16th Nov. 1945.	Week ending 23rd Nov. 1945.	Week ending 30th Nov. 1945.	Week ending 7th Dec. 1945.
EXCHANGE.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.
On England Bank Bills .. .. .. Telegraphic Transfer ..	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.
Sight ..	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.
First Class Credits .. .. 3 Months' Sight ..	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.
4 „ „ ..	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.
On Calcutta Bank Telegraphic Transfer	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16
English Bar Gold (100 Touch per tola)	Rs. a. p. 78 15 0	Rs. a. p. 77 10 0	Rs. a. p. 79 3 0	Rs. a. p. 78 1 0	Rs. a. p. 78 4 6	Rs. a. p. 76 1 0	Rs. a. p. 76 12 0	Rs. a. p. 65 4 0	Rs. a. p. 76 0 0	Rs. a. p. 72 4 0	Rs. a. p. 73 2 0	Rs. a. p. 74 15 0	Rs. a. p. 77 13 0	Rs. a. p. 74 3 6	Rs. a. p. 75 11 0	Rs. a. p. 77 3 0	Rs. a. p. 78 4 0	Rs. a. p. 78 6 0	Rs. a. p. 79 7 0	Rs. a. p. 81 12 0	Rs. a. p. 81 6 0	Rs. a. p. 83 13 0	Rs. a. p. 83 2 0
Sovereigns	53 4 0	53 2 0	54 2 0	53 8 0	53 11 0	53 12 0	48 6 0	43 12 0	52 0 0	48 6 0	49 4 0	51 10 0	52 10 0	51 0 0	52 12 0	53 6 0	53 14 0	54 4 0	55 0 0	57 10 0	57 8 0	58 12 0	58 8 0
Bar Silver .. .. Ready	138 0 0	136 14 0	138 12 0	136 6 0	136 8 0	133 2 0	128 4 0	122 8 0	124 0 0	121 4 0	124 11 0	129 11 0	137 10 0	131 9 0	131 0 0	133 10 0	133 3 0	131 14 0	133 1 0	134 8 0	133 5 0	134 1 0	134 2 0
Forward	137 8 0	135 4 0	137 14 0	134 8 0	135 12 0	134 2 0	128 2 0	Not quoted.	Not quoted.	Not quoted.	124 9 0	Not quoted	137 8 0	Not quoted	130 8 0	133 4 0	132 11 0	131 6 0	132 5 0	133 12 0	132 10 0	133 3 0	133 6 0
RATES OF DISCOUNT.																							
Bank Rate of Discount on Private Bills, 60 days' Sight	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.
Bank Rate of Interest on Demand Loans, on Government Securities ..	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „
Rate of Interest in the Open Market on Government Paper	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „
Money Market	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.
Government Promissory Notes enfaced from London to Bombay at Bombay	Rs. 2,13,300	Rs. 8,000	Rs. 4,400	Nil.	Rs. 4,100	Rs. 11,600	Nil.	Nil.	Nil.	Rs. 18,000	Rs. 14,00,000	Nil.	Rs. 4,000	Rs. 1,200	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Rs. 5,800
GOVERNMENT SECURITIES.																							
Three and half per cent.	Rs. a. p. 101 15 0	Rs. a. p. 102 10 0	Rs. a. p. 102 10 0	Rs. a. p. 102 2 0	Rs. a. p. 101 14 0	Rs. a. p. 102 0 0	Rs. a. p. 101 12 0	Rs. a. p. 100 6 0	Rs. a. p. 101 10 0	Rs. a. p. 101 10 0	Rs. a. p. 101 12 0	Rs. a. p. 102 0 0	Rs. a. p. 102 2 0	Rs. a. p. 102 5 0	Rs. a. p. 102 5 0	Rs. a. p. 102 9 0	Rs. a. p. 102 15 0	Rs. a. p. 102 15 0	Rs. a. p. 103 2 0	Rs. a. p. 103 5 0	Rs. a. p. 103 14 0	Rs. a. p. 103 12 0	Rs. a. p. 103 8 0
Four per cent., 1960/70	113 6 0	113 3 0	113 4 0	113 4 0	113 4 0	113 4 0	113 4 0	113 4 0	113 2 0	113 7 0	113 7 0	113 4 0	113 4 0	113 4 0	113 3 0	113 3 0	113 4 0	113 4 0	113 4 0	113 4 0	113 4 0	113 4 0	113 4 0	113 4 0
Five per cent., Tax Free, 1945/55	101 1 0	101 0 0	100 15 0	100 13 0	100 12 0	100 12 0	100 11 0	100 9 0	100 8 0	100 6 0	100 5 0	100 4 0	100 4 0	100 4 0	102 5 0	....	....	....	....	....	....	....	....	....
IMPORTS.																							
Copper Braziers in bundles .. .. (per cwt.)	Rs. a. p. 330 0 0	Rs. a. p. 315 0 0	Rs. a. p. 300 0 0	Rs. a. p. 300 0 0	Rs. a. p. 300 0 0	Rs. a. p. 320 0 0	Rs. a. p. 320 0 0	Rs. a. p. 310 0 0	Rs. a. p. 310 0 0	Rs. a. p. 320 0 0	Rs. a. p. 300 0 0	Rs. a. p. 250 0 0	Rs. a. p. 210 0 0	Rs. a. p. 240 0 0	Rs. a. p. 220 0 0	Rs. a. p. 205 0 0	Rs. a. p. 98 0 0	Rs. a. p. 98 0 0	Rs. a. p. 99 0 0	Rs. a. p. 99 0 0	Rs. a. p. 100 0 0	Rs. a. p. 103 0 0	Rs. a. p. 99 0 0
Yellow Metal in bundles .. .. („)	250 0 0	235 0 0	240 0 0	250 0 0	275 0 0	280 0 0	250 0 0	240 0 0	240 0 0	240 0 0	210 0 0	210 0 0	200 0 0	210 0 0	190 0 0	200 0 0	100 0 0	94 0 0	130 0 0	100 0 0	99 0 0	98 0 0	95 0 0
Sugar, Indian .. .. (per cwt., ex-Godown)	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0
COAL.																							
Indian Coal, F.O.R.—																							
Bengal Coal—	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Deshargarh (Selected Grade) .. .. (per ton)	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0
Jharia „) .. .. („)	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0
Jharia (Grade I) .. .. („)	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0
Central Provinces (1st class) .. .. („)	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0
EXPORTS.																							
Cotton:—																							
(Fully pressed, per candy of 784 lbs.)																							
Indian Cotton Contract	Rs. a. p. 420 0 0 July 45.	Rs. a. p. 414 0 0 July 45.	Rs. a. p. 416 0 0 July 45.	Rs. a. p. 436 0 0 Sept. 45.	Rs. a. p. 426 0 0 Sept. 45.	Rs. a. p. 432 0 0 Sept. 45.	Rs. a. p. 393 0 0 Sept. 45.	Rs. a. p. 362 0 0 Sept. 45.	Rs. a. p.	Rs. a. p. 350 0 0 Sept. 45.	Rs. a. p. 350 0 0 Sept. 45.	Rs. a. p. 350 0 0 Sept. 45.	Rs. a. p. 409 0 0 Jan. 46.	Rs. a. p. 409 0 0 Jan. 46.	Rs. a. p. 411 0 0 Jan. 46.	Rs. a. p. 411 0 0 Jan. 46.	Rs. a. p. 394 0 0 Jan. 46.	Rs. a. p. 392 0 0 Jan. 46.	Rs. a. p. 397 0 0 Jan. 46.	Rs. a. p. 408 0 0 Jan. 46.		Rs. a. p. 414 0 0 Jan. 46.	Rs. a. p. 429 0 0 Jan.
„ „ „	420 0 0 Sept. 45.	425 0 0 Sept. 45.	428 0 0 Sept. 45.	....	....	....	415 0 0 Jan. 46.	407 0 0 Jan. 46.	Market Closed	401 0 0 Jan. 46.	407 0 0 Jan. 46.	414 0 0 Jan. 46.	417 0 0 March 46.	416 0 0 March 46.	418 0 0 March 46.	420 0 0 March 46.	404 0 0 March 46.	405 0 0 March 46.	415 0 0 March 46.		420 0 0 March 46.	437 0 0 March
„ „ „	....	....	....	....	....	....	....	412 0 0 March 46.		408 0 0 March 46.	420 0 0 March 46.	....	429 0 0 May 46.	428 0 0 May 46.	429 0 0 May 46.	431 0 0 May 46.	416 0 0 May 46.	416 0 0 May 46.	426 0 0 May 46.		430 0 0 May 46.	446 0 0 May
„ „ „	....	....	....	....	....	....	....	....		....	....	....	....	....	....	....	....	....	....		....	....
SEEDS AND WHEAT.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Gingelly Seed, White Bold 85 per cent. .. .. .. (per cwt.)	31 0 0	31 0 0	35 0 0	35 0 0	35 0 0	35 0 0	35 0 0	35 0 0	35 0 0	....	....	....	....	....	....	....	28 0 0	28 0 0	28 0 0	28 0 0	....	29 0 0	29 0 0
„ „ Mixed 50 „ .. .. .. („)	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
Linseed, Bold .. .. („)	18 12 0	18 15 0	20 2 0	20 0 0	19 8 0	19 12 0	18 10 0	17 10 0	18 12 0	18 2 0	18 5 0	18 5 0	18 4 0	18 0 0	18 2 0	18 2 0	18 2 0	18 3 0	18 15 0	18 15 0	20 0 0	20 0 0	19 13 0
„ Small Seed .. .. („)	18 8 0	18 12 0	19 15 0	19 13 0	19 5 0	19 9 0	18 4 0	17 8 0	18 7 0	17 13 0	18 3 0	17 15 0	18 0 0	17 12 0	17 14 0	18 0 0	17 15 0	18 0 0Nom.	18 11 0	18 11 0Nom.	19 13 0	19 14 0	19 10 0No
Rapeseed, Brown, Delhi .. .. („)	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
„ „ Cawnpore .. .. („)	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
„ Yellow „ .. .. („)	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
Groundnuts, Bombay Bold .. .. („)	15 3 0Nom.	15 12 0Nom.	17 0 0Nom.	18 0 0Nom.	16 14 0Nom.	16 10 0Nom.	16 0 0Nom.	15 8 0Nom.	15 8 0Nom.	15 6 0Nom.	15 12 0Nom.	16 2 0Nom.	15 2 0Nom.	16 0 0Nom.	16 2 0Nom.	16 2 0Nom.	16 1 0Nom.	16 0 0Nom.	16 1 0Nom.	16 4 0Nom.	16 5 0Nom.	16 5 0Nom.	16 10 0No
Castorseed, Small, Hyderabad Quality F.A. .. .. („)	15 11 0 „	15 14 0 „	16 10 0 „	17 0 0 „	16 6 0 „	16 0 0 „	15 10 0 „	15 4 0 „	15 4 0 „	15 8 0 „	15 11 0 „	15 11 0 „	15 8 0 „	15 4 0 „	15 6 0 „	15 7 0 „	15 6 0 „	15 7 0 „	15 8 0 „	15 12 0 „	16 0 0 „	16 4 0 „	16 4 0 „

Current Quotations as estimated by the Committee of the Bombay Chamber of Commerce during the year 1945—continued.

IONS.	Week ending 6th July 1945.	Week ending 13th July 1945.	Week ending 20th July 1945.	Week ending 27th July 1945.	Week ending 3rd Aug. 1945.	Week ending 10th Aug. 1945.	Week ending 17th Aug. 1945.	Week ending 24th Aug. 1945.	Week ending 30th Aug. 1945.	Week ending 7th Sept. 1945.	Week ending 14th Sept. 1945.	Week ending 21st Sept. 1945.	Week ending 28th Sept. 1945.	Week ending 5th Oct. 1945.	Week ending 12th Oct. 1945.	Week ending 19th Oct. 1945.	Week ending 26th Oct. 1945.	Week ending 2nd Nov. 1945.	Week ending 9th Nov. 1945.	Week ending 16th Nov. 1945.	Week ending 23rd Nov. 1945.	Week ending 30th Nov. 1945.	Week ending 7th Dec. 1945.	Week ending 14th Dec. 1945.	Week ending 21st Dec. 1945.	Week ending 28th Dec. 1945.
IGE.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.
Telegraphic Transfer	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.
Sight	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.	1s. 5 31/32d.
3 Months' Sight	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 7/32d.	1s. 6 5/32d.	1s. 6 5/32d.	1s. 6 5/32d.	1s. 6 5/32d.	1s. 6 5/32d.	1s. 6 5/32d.	1s. 6 5/32d.	1s. 6 5/32d.
4 „ „	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 9/32d.	1s. 6 3/16d.	1s. 6 3/16d.	1s. 6 3/16d.	1s. 6 3/16d.	1s. 6 3/16d.	1s. 6 3/16d.	1s. 6 3/16d.	1s. 6 3/16d.
r	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16	100 1/16
.. ..	Rs. a. p. 78 45 0	Rs. a. p. 77 10 0	Rs. a. p. 79 3 0	Rs. a. p. 78 1 0	Rs. a. p. 78 4 6	Rs. a. p. 76 1 0	Rs. a. p. 76 12 0	Rs. a. p. 65 4 0	Rs. a. p. 76 0 0	Rs. a. p. 72 4 0	Rs. a. p. 73 2 0	Rs. a. p. 74 15 0	Rs. a. p. 77 13 0	Rs. a. p. 74 3 6	Rs. a. p. 75 11 0	Rs. a. p. 77 3 0	Rs. a. p. 76 3 0	Rs. a. p. 78 6 0	Rs. a. p. 79 7 0	Rs. a. p. 81 12 0	Rs. a. p. 81 6 0	Rs. a. p. 83 12 0	Rs. a. p. 83 2 0	Rs. a. p. 80 5 0	Rs. a. p. 82 6 0	Rs. a. p. 81 1 0
.. ..	53 4 0	53 2 0	54 2 0	53 3 0	53 11 0	53 12 0	48 6 0	43 12 0	52 0 0	48 6 0	49 4 0	51 10 0	52 10 0	51 0 0	52 12 0	53 6 0	53 14 0	54 4 0	55 0 0	57 10 0	57 8 0	59 12 0	58 3 0	57 4 0	59 6 0	57 12 0
Ready	138 0 0	135 12 0	138 12 0	135 6 0	136 8 0	132 2 0	128 4 0	122 8 0	124 0 0	121 4 0	124 11 0	329 11 0	137 10 0	131 9 0	131 0 0	133 10 0	133 3 0	131 14 0	133 1 0	134 8 0	133 5 0	134 1 0	134 2 0	134 6 0	134 7 0	134 4 0
Forward	137 8 0	135 4 0	137 14 0	134 8 0	135 12 0	132 2 0	128 2 0	Not quoted.	Not quoted.	Not quoted.	124 9 0	Not quoted	137 8 0	Not quoted	130 6 0	133 4 0	132 11 0	131 6 0	132 5 0	133 12 0	132 10 0	133 3 0	133 6 0	133 10 0	133 13 0	133 2 0
ISCOUNT.																										
s, 60 days' Sight	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent.	3 per cent
ns, on Government Securities ..	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „
n Government Paper	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „	3 „
.. ..	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.
ed from London to Bombay at	Rs. 2,13,300	Rs. 8,000	Rs. 4,400	Nil.	Rs. 4,100	Rs. 11,600	Nil.	Nil.	Nil.	Rs. 18,000	Rs. 14,00,600	Nil.	Rs. 4,000	Rs. 1,200	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Rs. 5,800	Nil.	Rs. 5,000	Nil.
SECURITIES.																										
.. ..	Rs. a. p. 101 15 0	Rs. a. p. 102 10 0	Rs. a. p. 102 10 0	Rs. a. p. 102 2 0	Rs. a. p. 101 14 0	Rs. a. p. 102 0 0	Rs. a. p. 101 12 0	Rs. a. p. 100 6 0	Rs. a. p. 101 10 0	Rs. a. p. 101 10 0	Rs. a. p. 101 12 0	Rs. a. p. 102 0 0	Rs. a. p. 102 2 0	Rs. a. p. 102 5 0	Rs. a. p. 102 5 0	Rs. a. p. 102 9 0	Rs. a. p. 102 15 0	Rs. a. p. 102 15 0	Rs. a. p. 103 2 0	Rs. a. p. 103 5 0	Rs. a. p. 103 14 0	Rs. a. p. 103 12 0	Rs. a. p. 103 8 0	Rs. a. p. 103 9 0	Rs. a. p. 103 7 0	Rs. a. p. 103 7 0
.. ..	113 0 0	113 3 0	113 4 0	113 4 0	113 4 0	113 4 0	113 4 0	113 4 0	113 2 0	113 7 0	113 7 0	113 4 0	113 4 0	113 4 0	113 3 0	113 3 0	113 4 0	113 4 0	113 4 0	113 4 0	113 4 0	113 4 0	113 4 0	113 4 0	113 4 0	113 3 0	113 13 0
.. ..	101 1 0	101 0 0	100 15 0	100 13 0	100 12 0	100 12 0	100 11 0	100 9 0	100 8 0	100 6 0	100 5 0	100 4 0	100 4 0	100 4 0	102 5 0	....	....	....	....	....	....	....	....	....	....	....	....
TS.																										
.. .. (per cwt.)	Rs. a. p. 315 0 0	Rs. a. p. 315 0 0	Rs. a. p. 300 0 0	Rs. a. p. 300 0 0	Rs. a. p. 300 0 0	Rs. a. p. 320 0 0	Rs. a. p. 320 0 0	Rs. a. p. 310 0 0	Rs. a. p. 310 0 0	Rs. a. p. 320 0 0	Rs. a. p. 320 0 0	Rs. a. p. 250 0 0	Rs. a. p. 216 0 0	Rs. a. p. 240 0 0	Rs. a. p. 220 0 0	Rs. a. p. 205 0 0	Rs. a. p. 98 0 0	Rs. a. p. 98 0 0	Rs. a. p. 96 0 0	Rs. a. p. 99 0 0	Rs. a. p. 100 0 0	Rs. a. p. 103 0 0	Rs. a. p. 99 0 0	Rs. a. p. 99 0 0	Rs. a. p. 99 0 0	Rs. a. p. 99 0 0
.. .. .. („)	250 0 0	235 0 0	240 0 0	250 0 0	275 0 0	280 0 0	280 0 0	240 0 0	240 0 0	240 0 0	210 0 0	210 0 0	200 0 0	210 0 0	199 0 0	200 0 0	100 0 0	94 0 0	100 0 0	100 0 0	99 0 0	98 0 0	95 0 0	95 0 0	95 0 0	95 0 0
.. .. (per cwt., ex-Godown)	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0	28 0 0
L.																										
.. .. (per 3ch)	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0	Rs. a. p. 13 5 0
.. .. („)	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0	13 5 0
.. .. („)	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0	11 7 0
.. .. („)	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0	14 1 0
RTS.																										
s.)	Rs. a. p. 420 0 0 July 45.	Rs. a. p. 414 0 0 July 45.	Rs. a. p. 416 0 0 July 45.	Rs. a. p. 430 0 0 Sept. 45.	Rs. a. p. 426 0 0 Sept. 45.	Rs. a. p. 432 0 0 Sept. 45.	Rs. a. p. 393 0 0 Sept. 45.	Rs. a. p. 362 0 0 Sept. 45.		Rs. a. p. 360 0 0 Sept. 45.	Rs. a. p. 360 0 0 Sept. 45.	Rs. a. p. 350 0 0 Sept. 45.	Rs. a. p. 409 0 0 Jan. 46.	Rs. a. p. 409 0 0 Jan. 46.	Rs. a. p. 411 0 0 Jan. 46.	Rs. a. p. 411 0 0 Jan. 46.	Rs. a. p. 394 0 0 Jan. 46.	Rs. a. p. 393 0 0 Jan. 46.	Rs. a. p. 397 0 0 Jan. 46.	Rs. a. p. 408 0 0 Jan. 46.		Rs. a. p. 414 0 0 Jan. 46.	Rs. a. p. 429 0 0 Jan. 46.	Rs. a. p. 420 0 0 Jan. 46.	Rs. a. p. 421 0 0 Jan. 46.	Rs. a. p. 429 0 0 Jan. 46.
.. ..	429 0 0 Sept. 46.	425 0 0 Sept. 45.	428 0 0 Sept. 45.	....	....	....	415 0 0 Jan. 46.	407 0 0 Jan. 46.	Market Closed	401 0 0 Sept. 45.	413 0 0 Sept. 45.	407 0 0 Sept. 45.	417 0 0 March 46.	416 0 0 March 46.	418 0 0 March 46.	420 0 0 March 46.	401 0 0 March 46.	400 0 0 March 46.	405 0 0 March 46.	415 0 0 March 46.	Market Closed	420 0 0 March 46.	431 0 0 March 46.	436 0 0 March 46.	440 0 0 March 46.
.. ..	....	....	....	....	....	....	....	412 0 0 March 46.		408 0 0 March 46.	420 0 0 March 46.	414 0 0 March 46.	429 0 0 May 46.	428 0 0 May 46.	429 0 0 May 46.	431 0 0 May 46.	416 0 0 May 46.	412 0 0 May 46.	416 0 0 May 46.	426 0 0 May 46.		430 0 0 May 46.	446 0 0 May 46.	445 0 0 May 46.	449 0 0 May 46.
.. ..	....	....	....	....	....	....	....	....		....	....	....	....	....	....	....	....	....	....	....		....	....	....	....	....
) WHEAT.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
at. .. .. .. (per cwt.)	31 0 0	31 0 0	35 0 0	35 0 0	35 0 0	35 0 0	35 0 0	35 0 0	35 0 0	....	....	....	....	....	....	....	....	28 0 0	28 0 0	28 0 0	28 0 0	29 0 0	29 0 0	30 0 0	32 0 0	32 0 0
.. .. .. („)	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
.. .. .. („)	18 12 0	18 15 0	20 2 0	20 0 0	19 8 0	19 12 0	18 10 0	17 10 0	18 12 0	18 2 0	18 5 0	18 5 0	18 4 0	18 0 0	18 2 0	18 2 0	18 2 0	18 3 0	18 15 0	18 15 0	20 0 0	20 0 0	19 13 0	20 10 0Nom.	21 2 0Nom.	21 6 0Nom.
.. .. .. („)	18 8 0	18 12 0	19 15 0	19 13 0	19 5 0	19 9 0	18 4 0	17 8 0	18 7 0	17 13 0	18 3 0	17 15 0	18 0 0	17 12 0	17 14 0	18 0 0	17 15 0	18 0 0Nom.	18 11 0	18 11 0Nom.	19 13 0	19 14 0	19 10 0Nom.	20 5 0 „	20 14 0 „	21 0 0 „
.. .. .. („)	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
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.. .. .. („)	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
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y F.A. .. .. .. („)	15 11 0 „	15 14 0 „	16 10 0 „	17 0 0 „	16 6 0 „	16 9 0 „	15 10 0 „	15 4 0 „	15 4 0 „	15 8 0 „	15 11 0 „	15 11 0 „	15 8 0 „	15 4 0 „	15 6 0 „	15 7 0 „	15 6 0 „	15 7 0 „	15 8 0 „	15 12 0 „	16 0 0 „	16 4 0 „	16 4 0 „	16 6 0 „	16 12 0 „	17 4 0 „

FREIGHTS.

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